

JPRS-CAG-86-011

31 MARCH 1986

China Report

AGRICULTURE

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31 March 1986

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RATIONAL DEVELOPMENT OF FOREST RESOURCES URGED

Beijing NONGYE JISHU JINGJI [ECONOMICS FOR AGRICULTURAL TECHNOLOGY] in Chinese No 11, Nov 85 pp 34-36

[Article by Wang Mingshui [3769 2494 3055] of the General Office, Administrative Section, Ministry of Forestry: "Rational Use and Development of China's Forest Resources"]

[Text] Developed forestry is one of the signs of a rich nation, prosperous people, and civilized society. Protecting and developing forests is an important safeguard in the quadrupling of China's total output value in industry and agriculture by the end of this century; this task of lasting significance affects management of China's land and creation of happiness for posterity. It is especially important to rationally manage, use, and develop China's forest resources, developing them in step with the development of the national economy so that there is coordinated progress.

China has excellent natural conditions, many varieties of trees, and a large potential. Mountains, hills, and high plains account for 70 percent of China's land, and most of that is suited to growing trees. The variety of trees is extremely abundant; for woody plants alone, there are more than 5,000 kinds, including more than 2,000 trees, and there are many kinds of trees of relatively high economic value. There are more than 400 million mu of artificially planted forests in China, roughly more than one-quarter of the 1.5 billion mu of artificially planted forests in the world. But there are problems currently in the use and development of forest resources. For example, the national forest cover rate has dropped from 12.7 percent at the time of the Fourth 5-year Plan to 12 percent. The per capita forest area and forest reserves are one-eighth and one-seventh, respectively, of the world average. Every year the forest depletion is greater than the amount of growth. The forest structure is irrational: there is a high proportion of timber forests and a low proportion of shelterbelts, firewood and charcoal forests, commercial forests, and special-use forests. Forest land production forces and per-unit area yields are low, and so on.

Sparse forest and vegetative cover brings a whole set of problems: the desertified area in China in the past 30 years has grown 90 million mu, more than 1 million square km have suffered soil erosion, every year about 5 billion tons of soil are eroded, and the amounts of nitrogen, phosphorus and

potassium washed away are the equivalent of 40 to 50 million tons of chemical fertilizers. There is a severe shortage of firewood in the countryside; every year more than 500 billion jin of straw and 100 million tons of firewood are burned; the nitrogen contained therein is equivalent to China's annual output of nitrogen fertilizer. In order to meet the needs of China's economic development, we should rationally manage and use and continually develop forest resources.

I. Cultivate and Expand Forest Resources, Improve the Forest Land-Use Rate

1. Relying on the strength of 800 million peasants and society to change the face of the forests, China has 1.2 billion mu of barren mountains and slopes suitable for forests, and there are still large areas of the "four besides" coastline, and unoccupied spaces that still have not been forested. We should implement the tree-planting and reforestation plan that brings progress to the state, the collective, and the individual, and strengthen guidance of forestry speciality households and key households. At present, in China's countryside the area of private-use mountain areas [Ziliushan 5261 3966 1472] has grown from 250 million mu to 400 million mu, and the number of forestry speciality households and key households is 4 million. The responsibility system is used locally to raise seedlings and reforest; the speed has been fast, the quality high, and the economic results good. In 1984, 120 million trees were voluntarily planted in cities; adding on annually voluntary tree planting of 3 trees per person, that is more than 1 billion trees nationwide. By the end of this century, the area for just voluntarily planted trees could reach more than 100 million mu. At the same time, we should still encourage and assist departments and enterprises using a fair amount of timber to plant forests for their own use.

2. Vigorously plant quick-growing, high-yield forests and establish new commodity timber bases. Systematic planting of quick-growing, high-yield forests began as early as the 1950's. For example, the chest-high diameter of 15-year-old fir trees in Huitong, Hunan is 20 cm and each year the reserve grows 2 cubic meters. In Jinping, Guizhou, the reserve amount per mu of 8-year-old fir trees is 15 cubic meters. In 100 mu of poplar forest in Yanbei, Shanxi, a semiarid area, the annual growth in the chest-high diameter is 2.8 cm. The annual growth in the chest-high diameter among the fast-growing larch forests in the Mudan forest region, Heilongjiang, is 2 cm. Predictions of national development needs show that by the end of this century reserves must supply 100 million cubic meters of timber; we should primarily rely on fast-growing semiproduction forests to meet this need. Every year we need to plant 3 million mu of high-yield forests. By the end of this century, new high-yield forest bases will be able to provide 30 million cubic meters of timber.

3. Practice forest conservation. Since the founding of the country the areas of closed-off forests has reached more than 300 million mu and there are still 200 million mu suited to being closed off. Forest conservation is easily practiced and saves both money and labor. This is especially so in the 11

southern provinces and autonomous regions, where there is ample rain and moderate climate, a long frost-free period and rapid tree growth; here the results of forest conservation are even better.

4. Aerial reforestation. Since aerial seeding of forests began in China at the end of the 1950's, 200 million mu of forests have been seeded from the air; of the 70 mu in which this was effective, 50 million mu have become forests. China currently has about 400 million mu in mountainous and sparsely populated border areas suited to aerial reforestation.

5. Develop firewood and charcoal forests and supply fuel for rural daily use. Of China's 173 million rural households, more than 80 million households are short of firewood for more than 3 months and almost 40 million households are short of firewood less than 3 months; the fuel problem is extremely important. Many rural households burn straw, dig up grass roots, burn animal dung, or even think nothing of destroying forests. Planting firewood and charcoal forests to solve the rural household fuel problem is the most realistic and effective way of developing biological sources of energy. Developing firewood and charcoal forests should be regarded as one of the effective measures to protect forests and should be given the utmost consideration. Everywhere there are tree species suited for rapidly growing firewood and charcoal forests; one planting will bring many years of benefits. Peasants can develop firewood and charcoal forests according to need in the 400 million mu zoned as private-use mountain areas; this would both solve the fuel problem and increase the sideline production options, as well as providing timber.

II. Rationally Manage and Use Current Forest Resources

1. Strengthen the thinning in middle-age and young forests. China has about 1 billion mu of middle-age and young forests, whose biological output is very low. This includes 400 million mu in urgent need of thinning. At present, only about 6 million mu can be tended to annually; at this rate, it would take almost 100 years to go around once. In some of the countries advanced in forestry, wood cut in thinning production accounts for a very large proportion of total timber output, usually 40 to 70 percent, but in China it still has not reached 5 percent. It has been calculated that if we take 100 million mu as our unit and 10 years as the interval, thinning can increase the amount of growth by more than 17 million cubic meters while not thinning means loss of the same amount; the gain and the loss together are more than 34 million cubic meters; at the same time thinning can produce 64 million cubic meters of commodity timber, but not thinning causes a loss to the forest of more than 40 million cubic meters. Therefore, accelerating the thinning of middle-age and young forests is of great significance to the promotion of forest growth, increase income and supply of commodity timber.

2. Strengthen development of the legal system and implement governing forests through law. Since the founding of the country, China's forests have suffered three instances of large-scale damage: the year 1958, "the 10 years of chaos," and the past few years. Due to the inadequacy of a series of policies and forest-protection measures, almost everywhere in the nation there have been a series of incidents involving uncontrolled and excessive cutting, so

that forest resources have again met with damage. This year, with the timber in collective forest areas being made available, in some areas there has been recurring timber theft. We should persist in implementing the "Forest Law," perfect for the forest legal system, guarantee the proper rights and interests of forest owners and managers, and take advantage of the positive role of the forest-protection pledge and pacts between townships and the people; seriously implement the forest-production responsibility system, as quickly as possible adjudicate the host of long-standing and difficult conflicts concerning mountain forest rights and ownership; correctly threat and truly solve the problem of providing the firewood needed by the masses for production and daily life; strengthen ideological and organization work among the forest public security ranks, improve their political and professional quality, and meet the needs of law enforcement.

3. Strictly control the amount of logging and keep "one account book" for timber-production plans. The long period of excessive logging has damaged the benevolent cycle of forestry resource reproduction; available resources have been dramatically reduced. Some enterprises have been forced to shut down because their resources are exhausted. According to statistics from 61 forest bureaus in Heilongjiang's Daxing'anling and Yaguangshi forests, comparison of resource investigations, from the Fourth 5-year Plan and from the founding of the bureaus, show that the forest-cover rate dropped from 67.3 to 62.7 percent, a drop of 4.6 percent; the forested area was reduced by 820,000 hectares, a fall of 6 percent; standing reserves fell by 340 million cubic metres, a loss of 19.1 percent. At present, among 131 state-run forest bureaus, there has been serious overcutting of available resources in 61 bureaus and the resources have been exhausted in 25 bureaus. If this situation continues, 50 of the present 82 forestry bureaus in the northeast and Nei Monggol forests will have run out of available resources within 15 years. Strict control of forest resources and elimination of forest deficits will require first of all determined implementation of the "Forest Law" rule stating that "the amount of consumption in commercial timber forests must be lower than the amount of growth," step-by-step determination of annual cutting limits and implementation of "one account book" in national timber-production plans. The next step is to regulate the distribution of logging, strengthen the development of new forest regions, lower annual logging in old forests and allow old forests to rejuvenate and gradually recover their vitality.

4. Develop comprehensive uses and improve the utilization rate of the "three leftovers" from timber. According to the figures for timber production in the national plan, every year 15 million cubic meters of "three leftover" matter can be supplied for use; this could be used to produce 6 to 7 million cubic metres of artificial boards, which could be used in place of 20 million cubic meters of timber. At present, aside from 5 million cubic meters of wood that is burned, only about 10 percent of the rest is used and 90 percent is simply wasted. Beginning with changing the product mix, improve the economic results of the final product to the greatest possible extent and ameliorate the supply and demand problems; these are the basic conditions for developing comprehensive use of timber. The pieces of wood, artificial board, and some of the completed and semicompleted products produced through comprehensive use

of the "three leftovers" should be included in the national timber-production, distribution, and transport and marketing plan, replacing the equivalent quantity of logs. The state should increase the share of forestry investment devoted to comprehensive use, improve the degree of technical equipment, improve the competitive ability of products, rationally adjust the processing arrangement, and develop processing enterprises using "three leftovers" as raw materials at the same pace as logging and transport.

5. Fully use forest resources and vigorously develop a diverse economy. China's forest have abundant natural resources and excellent conditions for developing diversified production. According to incomplete statistics, China's animals account for 12 percent of all the animals in the world and birds account for 14 percent of the world total; more than 40,000 kinds of true fungi have been identified, of which China uses more than 1,500 as food and medicine, more than 200 being in common use; forests have large surfaces of water and waterpower resources which can be used to generate electricity. Just in the forests of the northeast and Nei Monggol there are 370,000 hectares of forest grasslands and 350,000 hectares of water suited to the development of animal husbandry and aquaculture. The forest natural scenery is various and beautiful, ideal conditions for the development of tourism. In the 4,065 state-run tree farms, there are more than 100 famous historical sites. In the past few years, many enterprises in the northeast and Nei Monggol forests have vigorously developed diversified production, achieving encouraging results. The output value from diversified production in all forests in 1980 was 450 million yuan, which increased to 1.06 billion yuan in 1984, 2.3 times that of 1980 and equal to 36 percent of the total output value from forest industry in all forests. In Heilongjiang alone, there are nine forest bureaus whose diversified production output value accounts for one-third of the enterprises's total output value, and seven forest bureaus which have exceeded 10 million yuan. Therefore, we should stress starting diversified production as an important strategic measure to develop forestry and tap its potential.

6. Work hard to control natural damage to forests. In 1983, 6.6 million mu of China's forests were damaged by fire, equivalent to one-third of the area preserved each year in forestation; 110 million mu of forest have been afflicted by disease and insect pests; the annual loss of forest growth nationwide from just the pine moth is 3 to 4 million cubic meters, which is a very considerable figure. In addition to strengthening fire-fighting forces among the masses and forest management, preventing forest fires requires building a number of forest lookout towers, improving communications, employing remote-sensory technology and computerized alarms, using airplanes to fight fires, and other modern technology to equip the forest fire-fighting ranks. As for preventing disease and insect damage, we should strive to develop scientific research, strengthen preliminary estimates and predictions, rely primarily on biological measures, supplemented by chemicals, and carry out mass prevention and mass control. Even more important is quarantine and sterilization of stock seedlings, vigorously planting mixed stands, and promoting the multiplication of many natural enemies of disease and insect pests, thus getting at the root of disease and insect damage.

12919/13104
CSO: 4007/183

'SANBEI' SHELTERBELT PROJECT TO BEGIN SECOND PHASE

OW141414 Beijing XINHUA Domestic Service in Chinese 0213 GMT 14 Mar 86

[Article by reporter Wan Manlun]

[Excerpt] Yinchuan, 14 Mar (XINHUA)--This reporter has learned from the "Sanbei" [three norths] Shelterbelt Construction Bureau under the Ministry of Forestry that the State Council has officially approved the start of the second phase of the "Sanbei" shelterbelt network project this year.

The first phase of the "Sanbei" shelterbelt network project began in 1978. After 8 years of hard work, we afforested, as of the end of 1985, 90.93 million mu, overfulfilling the planned quotas. The newly afforested areas, in addition to the forests already in existence, are beginning to bring about a beneficial agricultural environment in one-third of the counties in the "Sanbei" area. Treebelts have been built around farmland totaling 120 million mu. Soil erosion and shifting of sand dunes in some areas have been brought under control in varying degrees. About 50 percent of peasant households which lacked firewood have had their difficulties alleviated. By the time the first phase is completed, the percentage of forest-covered land will increase from 4 percent in 1977 to 5.9 percent.

The State Council has timely decided that the second phase of the "Sanbei" shelterbelt network project be started when the first phase is completed. The scope of the second phase is even bigger than the first. The plan covers 466 counties (banners) in 12 provinces, autonomous regions, and municipalities including Xinjiang, Qinghai, Gansu, Ningxia, Shaanxi, Nei Monggol, Shanxi, Hebei, Beijing, Liaoning, Jilin, and Heilongjiang, 70 counties (banners) more than in the first phase of the project. The total area involved is 5.92 billion mu. The plan calls for afforesting 95.5 million mu (including 50 million to be completed during the seventh 5-year plan) and for creating another 25 million mu of forests and grasslands by afforesting mountainous areas and carrying out aerial seeding over a period of about 10 years beginning from 1986. When the second phase is completed, the percentage of forest-covered land in the "Snabei" area will increase from 5.9 percent at the end of the fi-st phase to 7.7 percent, some 50 counties (banners) will have achieved their greening targets; treebelts will have been built around 260 million mu of farmland; soil erosion in one-third of the loess plateau area will have been checked; and the landscape around Beijing, along the Beijing-Baotou and Baotou-Lanzhou railways, and along the middle reaches of the Huang He will have markedly changed.

AGRICULTURAL SCIENCE, TECHNOLOGY BLOSSOMS

Beijing JINGJI RIBAO in Chinese 16 Dec 85 p 4

[Article by Xin Jaiquan [0207 6621 6112]: "Modern Science and Technology Is Blossoming"]

[Text] Agricultural science and technology is an untapped production force. Strengthening agricultural science and technology is of great significance in the realization of agricultural modernization.

According to statistics, from 1929 until 1972, the 81-percent increase in value of agricultural production in America and the 71-percent increase in labor productivity were both due to the promotion of agricultural science and technology. In France, every franc spent on agricultural scientific research brings 100 francs of increased output value for agricultural departments. In the past 30 years, Japan's recovery and development has been rapid, and one of the reasons is that it particularly stresses the promotion and application of agricultural science and technology.

Since liberation, agricultural science and technology in China has developed greatly. At the 1978 National Science Congress, various localities recommended 3,137 scientific and technical achievements in farming, forestry, animal husbandry, and fisheries, of which there were 381 major scientific and technical achievements which received awards and more than 20 which approached or reached the advanced world standard. Since the 3d Plenum of the 11th CPC Central Committee, Chinese agricultural science and technology has again made a number of new achievements. According to preliminary statistics, there have been 41 recipients of the national invention prize, 2 recipients of the national natural science prize, 733 recipients of departmental technical improvement prizes, and 134 recipients of the national technical extension prize. Among the technical accomplishments that have achieved significant economic results through widespread application in production are: "indica"-type hybrid rice, pollen haploid cultivation, allo-octoploid triticale, integrated management of low-yield soil, integrated prevention of wheat stripe rust, patterns and prediction of army worm migratory flights, and, moving north, large areas of rubber trees. According to estimates from research units, between 1972 and 1980, 27 percent of the total growth in agriculture output value was achieved through alliance on science and technology, an average of 2.35 billion yuan of newly added income for society.

The role of agricultural science and technology in production can be summarized as follows:

I. Application of Genetic Theories Leads to Breakthroughs in Breeding Technology

For a long time, mankind has attached great importance to the selection of improved varieties, but the major breakthroughs in seed selection technology have come from the application of genetic theories. In 1918 American scientists bred hybrid corn; after extension and planting from the 1940's to the 1960's yields increased at the rate of approximately 50 kg per mu every 10 years. In 1982, more than 440 million mu were planted and the average per-mu yield was 480 kg. After corn and sorghum, China developed improved varieties of hybrid rice; since extensive planting on large acreages in 1976, planting was extended to 620 million mu by 1984, increasing the output of rice by more than 30 billion kg.

II. Development of Plant Physiology and Use of Chemical Fertilizers Have Improved Land Utilization Rate

According to the analysis of Alan Stuart of M.I.T. in the United States, from 1966 to 1977 the annual growth rate for chemical fertilizer use in Africa, China, and the rest of Asia was 8.3, 8.9, and 8.7 percent respectively. In the 24 years from 1954 to 1978, the net increase in per-unit rice yields in Japan was 169 kg; since then per-unit yields have for a long time remained steady at more than 400 kg. The main cause of increased yields is the relatively high use of chemical fertilizer, most of which is high concentration compound fertilizer; furthermore, they pay great attention to practicing scientific fertilizer application after making a diagnosis of the soil.

III. Development of Farmland Water Conservancy and Biology Promote Progress in Irrigation and Dry-Land Agriculture Technology

Since the 1960's, there has been very large growth overseas in the use of sprinkler and drip irrigation. According to statistics from the latter part of the 1970's, England uses nothing but sprinkler irrigation; in France and Romania, the sprinkler irrigated area is 85 percent of all irrigated land, and in the United States it is 21 percent. Sprinkler irrigation can use 50 percent less water than surface irrigation and saves 5 to 7 percent on channels. Thus it can still play a role in preserving soil and fertility. Drip irrigation saves even more water than sprinkler irrigation, saving 20 to 50 percent of water usage. The results of increased yields are also very significant.

Because drought is a worldwide problem, dry-land agricultural technology is universally respected. Since the 1960's, American research has introduced low-tillage and no-tillage, and the practice has spread to 430 million mu.

The Soviet Union promotes tillage with moldboardless plows in arid areas; the soil-protection tillage system, consisting mainly of strip cultivation, has also had excellent results.

IV. Development of Plant-Protection Science and Agricultural Chemistry Has Controlled Damage from Disease, Insects, and Weeds

According to estimates, the annual loss to agricultural production from minor cases of disease, insects and weeds is a 10- to 15-percent drop in production, and in serious cases, it is a 40- to 50-percent drop, or even a total loss. China's "combined reform and control" tactics and methods for controlling locusts have reduced the area afflicted by locusts from more than 60 million mu to 14 million mu; from 1956 to 1965 a total of 15 million tons of grain were saved, worth more than 3 billion yuan, which is roughly equal to 33 times the investment. Another example is the integrated prevention tactics formulated in 1965, which made "disease-resistant varieties the main method, and chemical prevention and cultivation measures supplementary." In the past 20 years, wheat rust has basically been brought under control, which each year saves more than 1 million tons of wheat, worth 250 million yuan. Since the 1970's, there has also been further use of biological prevention of disease and insect damage, such as use of trichogramma to control rice leaf roller, corn borer, boll worm, and other pests; the results have been very good.

V. The Growth of Agricultural Mechanization Has raised Labor Productivity

Because economically developed countries have mechanized farming and animal husbandry, planting 1 mu of wheat requires only 0.48 man-hours; corn, 0.97 man hours; and cotton, 5.5 man-hours. Producing 50 kg of pork (gross weight) requires only 1.65 man-hours, and 100 eggs, 0.5 man-hours. China has 245 million horsepower of agricultural machinery power and 841,000 large and medium tractors; the machine-plowed area is 56.5 percent, machine-sowed is 8.3 percent, machine-intertilled is 3.3 percent, and machine-harvested is 3.1 percent. This has played a major role in increasing agricultural production and improving working conditions.

In summary, agricultural modernization increasingly relies upon progress in agricultural science and technology. Looking ahead to the development of world agriculture in the 21st century, China must vigorously strengthen agricultural science and technology in order to catch up with and approach the world advanced level.

12919/13104
CSO: 4007/170

MECHANIZATION SUITED TO SMALL-SCALE OPERATIONS NEEDED

Beijing ZHONGGUO NONGJIHUA BAO in Chinese 11 Nov 85 p 2

[Article by Dong Hanying [5516 3211 5391] of the Agricultural Mechanization Bureau, Ministry of Agriculture, Animal Husbandry, and Fisheries: "Research into Scale of Land Management Should Be Emphasized"]

[Text] Our past investigations into the factors limiting the growth of agricultural mechanization usually started with technology and economics, that is, whether or not the machine was functionally useful, its use economical, its energy source reliable, and whether peasants could afford it. These factors would determine the prospects, scale and speed of growth in mechanization. Very seldom have there been serious explorations into a strategy for developing agricultural mechanization which takes into account production relationships and the small scale of operations typical of agricultural production in the great majority of areas practicing the output-related contract responsibility system. Agricultural mechanization is both a process of improving production forces and a process of continual perfection of production relationship. Investigation from the perspective of production relationship into the limitations and effects of the scale of land management on the growth of agricultural mechanization could give us a more scientific and thorough understanding of the problems in agricultural mechanization growth under the new conditions.

I. The Relationship Between Land Management and Mechanization

1. Mechanization in Itself is a Product of Expanded Scale of Production. The concentration of agricultural mechanization represents increasing use of tools in production labor and is an important indication of the level of production forces. As humans conquer the natural world, they increasingly feel that physical and mental labor are not enough, so that they continually invest and create more and more advanced machines, thus greatly raising labor productivity. The process of raising labor productivity is the same as the process of expanding the scale of production. Only when the scale of production is expanded will there be a need for mechanized production. This is not hard to understand: when peasants use human and animal power to cultivate small quantities of land at a very leisurely rate and when there

still is not a pressing need for enlarging the scale of land management, the issue of mechanization does not make it onto the agenda. This is proven by facts.

2. Varying Scales of Production and Land Management Put Objective Demands on Mechanization. It is scientific to install agricultural machinery according to the scale of land management: a big cart needs a big horse, while a small cart needs a small horse. Therefore, the so-called American model (large-scale) and the Japanese model (small-scale) did not just come out of the air but are fundamentally suited to the scale of land management.

3. The Clearest Indication of the Interdependence of the Scale of Land Management and Mechanization: Results from Economy of Scale. The main way to evaluate the quality of mechanization is to compare the results; it will not do to rashly evaluate it according to the size of machinery. Where the scale of land management is very big but mechanized forces are insufficient or nonexistent, it is very difficult to fully use the production capacity of the land. Those large households which run several hundred mu of land without machinery, relying on hired hands and extensive management, may obtain an income which is not bad in absolute terms, but the average results per mu will not necessarily be good. The converse, lopsided development of mechanization when the scale of operation is too small, will cause production costs to go up and economic results to fall. Therefore, it simply is not true that the higher level of mechanization, the better. Good results can only be achieved by installing an appropriate amount of machinery on an appropriate scale. This is the sought-after economy of scale. China's experiences over the past few years in agricultural mechanization indicate that 30 to 50 mu of land is the appropriate scale (for a family operation); use of machinery on a scale smaller than this is not economical. Although this conclusion requires more thorough research, the concept of economy of scale has been settled and universally accepted.

II. Basic Estimates of the Scale of Operations on Family Land in China

The scale of family-operated land in China is very uneven. The largest have more than 1,000 mu while small ones have only 2 or 3 mu. But basic conditions in China dictate that the percentage of peasants managing several hundred mu or more than 1,000 mu of land is very small; the great majority of households have less than 10 mu. This scale is too small for mechanization. In addition, since implementing the responsibility system, large pieces of land in many areas have been divided up. A piece of land run by one family is often divided into several pieces or even more than 10 pieces. This presents a major difficulty to mechanization. If several different crops are raised on the same piece of land, it is even more impossible for mechanization to develop. Therefore, since implementation of the responsibility system, the level of mechanization in many places has dropped, and it cannot be denied that the reduced scale of land management is an important reason.

In this case, will there be fairly big changes in the near future in the scale of agricultural production land management? The answer is no. This is because: 1) The family economic relationships determined by the

output-related contract responsibility system are vigorous and vital; documents from the Central Committee have already clearly ruled on the long-term stable perfection of the family output-related contract responsibility system. The policy thus guarantees the protracted nature and stability of the household economy. 2) Concentration of land is quite an arduous and time-consuming process. Although concentration of land is inevitable in the development of things, the rate of development will not be very fast. This is because the basic situation in China—many people, little land—will not change in a short period of time. At the same time, to a very large extent it will be determined by elimination of the peasant's love of the land, general improvement in the level of peasant management, improved economic results from cultivating fields, and other subjective and objective factors. But these subjective and objective factors definitely cannot come to be in a short period of time. 3) China's economic development is extremely unbalanced; there may be a 10- or 20-year difference between advanced and backward areas. If we take the level of the currently most developed areas (such as the Chang Jiang delta) to represent China's basic level at the end of this century, this means that half of the rural labor force will still be in the fields; the quantity of rural households managing land then will not be greatly changed from the present.

Therefore, for the present and immediate future, development of agricultural mechanization in China must focus on small machines and tools, on those machines and tools which are little affected by the limitations of scale. We should provide peasants with more small implements which have many uses, consume little energy, and are functionally stable and reliable, and also provide farm implements which are half mechanized, half human- and animal-powered. At the same time, given that land is divided among and run by families, we should study specific methods for shared use of agricultural machinery, especially medium-sized and larger machinery. We should study the question of scale results on the small scale. Some feel that the ideal in agricultural mechanization is a faster rate, large scale, and higher level, but this view has lost touch with reality, and neglects research into and resolution of the conflicts, under the conditions of the production responsibility system, between agricultural mechanization and the scale of land management. This also does not make the job easier.

12919/13104
CSO: 4007/181

TECHNICAL ADVANCEMENTS APPLIED TO RURAL AREAS

OW110851 Beijing XINHUA in English 0828 GMT 11 Mar 86

[Text] Beijing, 11 Mar (XINHUA)--China has made great progress in popularizing advanced crop-growing and animal-breeding techniques in rural areas, thus giving an impetus to the development of the rural commodity economy, according to the Ministry of Agriculture, Animal Husbandry and Fisheries.

The mechanization of plastic-sheet covering in crop-growing made it possible to apply the technique to 173,000 hectares in 1985, a 32 percent increase over the previous year.

The plastic film covering technique was introduced from abroad in 1978. At first it was done by hand. Soon afterwards, machines and other devices were developed in a number of colder provinces and were put into service beginning 1982. The new technique helps ensure the farming season and preserve the soil's moisture.

The new technique has been applied in growing cotton, peanuts, watermelons and vegetables on vast areas, and has been experimented with in growing sugar beet, sugar cane and tobacco, as well as in planting maize, upland rice, wheat and other crops.

Industrial nurseries for rice seedlings is another new technique. Some 140,000 hectares of rice was planted by using this method in 1985, a 31 percent increase over the previous year.

Jilin province was hit heavily by typhoons in 1985. However, rice seedlings were raised in workshops and planted on more than 102,700 hectares, resulting in a crop increase of 28.9 percent.

With this new technique, Heilongjiang Province in the northeasternmost part of China, expanded its rice-growing area by nine times in 1985 over the previous year.

More and more Chinese peasants are raising fish in ponds with the help of irrigation and drainage equipment, feed-processing machinery, oxygen-increasing machines and other devices.

Wuxi city in Jiangsu Province adopted the technique of fish farming mechanization in ponds on its outskirts, covering more than 700 hectares of water surface, resulting in an output of 7.5 tons per hectare in 1985, as against only several hundred kg by natural feeding in the past.

One village in the same province reported an output of over 11 tons per hectare in its ponds covering about 50 hectares. Tianjin City in north China harvested 6.8 tons per hectare in 1985.

The fish farming mechanization has been popularized in 21 provinces, autonomous regions and cities throughout the country. The pilot ponds cover a total of 1.3 million hectares.

Compared with the traditional method of letting chickens run free, the new technique of cage-breeding them can raise the egg-laying rate by 20 percent and save feed by 10 percent, in addition to recovering all droppings.

One person can raise about 2,000 egg-laying hens by using the new technique. Now there are many households each raising 1,000 to 10,000 hens throughout the country.

According to statistics, the volume of eggs supplied by cage-breeding households in Tianjin made up 60 percent of the total, ensuring its self-sufficiency in egg supply in 1985.

In addition, the ministry this year plans to popularize new techniques including mechanization in upland crops in north China, and in wheat and rice harvesting, fruit preserving and processing, potato and maize processing, technology for developing small-scale hydropower and wind energy, and tree nurseries.

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CSO: 4020/250

AGRICULTURE TAX COLLECTION, MANAGEMENT DEFINED

Beijing NONGMIN RIBAO in Chinese 2 Dec 85 p 2

[Report by Zhong Hechu [6988 0735 2806]: "Requirements and Methods for the Country's Agricultural Tax Collection and Management"]

[Text] There are 800 million people and 185 million households who pay agricultural taxes, and several billion yuan are collected in a single year. With this many taxpayers and receipts to be stored in a short period of time, the workload is heavy, duties are formidable, the area involved is wide, and the policy implications powerful. It will not be well managed if finance and tax departments are solely relied upon. To do a good job of agricultural tax collection and management, it is necessary to rely upon the vast numbers of grass-roots cadres, and organize the mutual coordination and close cooperation of all relevant departments under the unified leadership of local party committees and governments. Agricultural tax collection and management work requirements and methods will be explained presently as follows:

1. Agricultural Tax Registries Need To Be Established

An agricultural tax registry is a detailed listing of household-by-household registration that is carried out with taxpayers (some are called agricultural tax receipt registers). Agricultural tax regulations stipulate that taxpayers should report strictly according to the facts of land acreage, agricultural tax income, and other relevant circumstances to the township people's government, and that the township government will create a registry after investigation and appraisal, and submit it to the county-level people's government for inspection and verification. The county government is to calculate, according to the tax rate and on the basis of a verified and approved record of land and agricultural income, the tax to be paid, and notify the taxpayer to pay as scheduled. Collection organizations should annually investigate and verify the following conditions prior to collecting and handling agricultural taxes according to the law: 1. Taxes for taxpayers who have transferred land among themselves (including transfers between farmers of contracted land) are calculated by ratio according to the transferred land's average annual productivity on the basis of reports by both parties to the transfer. 2. Supervise and urge taxpayers to report strictly according to the facts reclaimed wasteland or the addition of new cultivated land by other means; promptly investigate and verify registrations; collect taxes according to the law when tax-free periods have expired. 3. Supervise and urge taxpayers to report strictly

according to the facts special production income from farming and forestry, and irregular agricultural income from land; promptly investigate and verify registrations; collect taxes according to the law. 4. With permission from the people's government above the county, taxpayer land occupied with a land-use permit as proof for national construction will be calculated by ratio according to verified reductions of land used and its average annual productivity.

2. Tax Notifications Need To Be Thorough

As stipulated by agricultural tax regulations, county-level people's governments must issue to taxpayers a tax notification for use as a tax payment statement. After a farm village implements diverse forms of the output-related responsibility system, agricultural tax responsibilities should be placed at the household whenever contracts have determined that agricultural taxes are to be paid out by the household. Appropriate methods also need to be adopted to notify households for agricultural tax payments to make payment of agricultural taxes convenient for farmers. Tax payments are to be paid promptly once agricultural taxes have been settled.

3. A Good Job Needs To Be Done on Agriculture Tax Payments

The CPC Central Committee and the State Council clearly stipulated on 19 August 1964 in "Communique on Paying Attention to Doing a Good Job of Recovering Loans for Agricultural Goods and Advance Purchase Deposits" that production brigades should firmly insist on "first deducting tax payments to be turned over to the nation," and should also deduct and return agricultural loans and agricultural product advance-purchase deposits, and then distribute profits. This requires that agricultural taxes should first be collected in full, and payment made for other items afterwards. Agricultural tax receipts are to be transferred to the state treasury through a bank's commercial office (by the receipts office). The bank must promptly turn over tax receipts to the state treasury according to the principle of "first the tax, then the loan." Taxpayers should perform the duty of paying agricultural taxes to the state according to the law. Grain, supply and marketing, and other departments settling accounts and transferring agricultural tax funds with banks according to regulations is a method for settling accounts and transferring accounts, and is different in character from withholding funds. It is wrong and impermissible to treat agricultural taxes that are to be turned over, settled, and released as "withheld funds" and refuse to handle them according to regulations.

4. A Good Job Needs To Be Done on Agricultural Tax Deductions

Taxpayers should report agricultural tax deductions factually. Finance and tax departments should, on the basis of thorough investigation and democratic discussion with the masses, propose a plan for tax-deduction recipients and tax-deduction payments, report and request inspection and verification by the county-level people's government, implement policy, and repay properly. Tax deductions should be made according to policy regulations, and need to be verified and reach the taxpayer who should enjoy the tax deduction prior to tax collection. (For those who implement the family output-related responsibility

system, and for those whose agricultural taxes are paid out from household contracts, verified and approved tax deductions should go to the farm household). Deduct first, then collect. Avoid making withdrawals from the treasury. Those who after permission have to withdraw from the treasury are to, in general, withdraw only tax funds, and not make withdrawals in kind. Collection organizations are to entrust banks with the transfer of tax deductions that should be withdrawn from the treasury. Taxpayers whose returns have been verified and approved and have a tax collection organization tax deduction withdrawal notification are to handle with the bank the account transfer or procedures for making a withdrawal. Once the withdrawal of the tax funds has been concluded, the bank should collect together and send the processed receipts to the collection organization for future reference and proof.

5. A Good Job Needs To Be Done in Transferring Treasury Deposit and Withdrawal of Agricultural Taxes

Agricultural taxes are a part of the country's financial income, and need to be promptly and fully transferred to and deposited in the state treasury. No one is allowed to obstruct the transfer up. Intercepting, retaining, and diverting are not permitted. Tax transfer to the state treasury is to be by the collection organization filling out and arranging an agricultural tax income-transfer letter, it is to be handled through the bank (by the receipts office) by means of an account transfer, and the treasury should give the collection organization a receipt as a voucher.

Once agricultural tax funds have been deposited in the treasury they are national financial funds, must be promptly and fully transferred to the state treasury, and withdrawals cannot be made without permission. The means for handling tax fund withdrawals is by using an account transfer according to stipulated limits of authority, should be according to the stipulated regulations of treasury management and with the financial and tax department filling out and arranging an agricultural tax income-withdrawal letter, and the bank should send the agricultural tax withdrawal-receipt and letter of credit provided by the taxpayer to the finance and tax department as a voucher.

6. A Good Job Needs To Be Done in Accounting For Agriculture Tax Collections and Transfers

Collection and transfer accounting is a method for collection organizations verifying and calculating agricultural tax receipts. "Collection" is to gather income from the taxpayer. "Transfer" is to turn in the money collected to the treasury. Collection and transfer accounting is the process and result of verifying and calculating, making known, and supervising agricultural tax collection and transfer on the basis of legal certification, and through accounting, calculating, and settling to insure that agricultural tax revenues are promptly and fully collected and transferred to the state treasury.

Matching account books, registration books, report forms, and confirmation tickets that realistically provide for an accurate reflection of circumstances need to be set up according to the agriculture tax collection and transfer process, and tax transfer is to be prompt, figures accurate, and tickets, certification,

funds, accounts, and report forms are to tally. All account books, registries, report forms, and confirmation tickets should be managed conscientiously and appropriately preserved, especially tax-collection and tax-refund certificates. A strict management system must be established. To plug leaks and prevent fraud, perfect procedures are needed and responsibilities made clear-cut in withdrawing, paying out, and verifying.

7. A Good Job Needs To Be Done To Respect Discipline and Obey the law

If taxpayers think that agricultural tax collection work is incorrect, appraisal unfair, calculations mistaken, or collections incorrect, they have the right to request reexamination and reconsideration at that township or a higher level people's government. Collection organizations should investigate and handle things conscientiously and quickly. At the same time that citizens enjoy legally defined rights according to the nation's constitution, it is necessary to perform legally determined duties and carry out the principle of democratic centralism. At the same time that taxpayers request reexamination by the people's government, they should first pay the tax figure verified and determined according to the county-level people's government. If the investigation shows that the tax actually is incorrectly or excessively levied, a refund will then be arranged.

The nation's constitution stipulates that: "The people have the legal duty to pay taxes." Agricultural tax regulations stipulate that: "If taxpayers underreport land holdings, agricultural income, or use other methods to evade taxes, following clarification by investigation they should retroactively turn over the evaded taxes. If the case is serious, it will be sent to the people's court for handling." Article 121 of the nation's "Criminal Code" stipulates: "In cases where tax-law violations, tax evasions, and tax-strike cases are serious, in addition to paying tax to make up the difference and paying fines according to the tax law, the directly responsible person will be sentenced to 3 years' or less imprisonment or detention."

Agricultural tax collection personnel should respect discipline and obey the law, impartially handle affairs, work energetically, and complete their duties. Agricultural tax regulations stipulate that: "In the work of collecting agricultural taxes, if there is criminal negligence of duty or fraud resulting in the nation's people incurring losses, disciplinary action is to be taken or [they] are to be sent to the people's court for handling according to the law according to the seriousness of the case." Everybody has the right to expose and inform the authorities of tax collection personnel who illegally neglect their duty and engage in fraud.

13152

CSO: 4007/207

PRC REDUCES AMOUNT OF GRAIN BOUGHT ON CONTRACT

HK140410 Beijing CHINA DAILY in English 14 Mar 86 p 3

[Text] While reducing its contract grain purchases this year by 20 percent, the government is taking a number of other steps to increase both farmers' income and grain production, FARMER'S DAILY reports.

The amount of grain bought at negotiated prices will be greatly increased this year, according to the paper, which carried the first detailed report about the program.

Contract grain is that part of the harvest which farmers--who voluntarily contract for land under the new economic policies--must turn over to the State at set prices. The remaining crop may be sold either on the free market or to the state at negotiated prices. Negotiated prices are generally higher than contract prices, benefiting grain growers.

The state resells its grain to urban residents at low fixed prices, subsidizing the difference.

To encourage farmers to grow more grain, the state will sell them chemical fertilizers at subsidized prices and make loans available to them if they participate in the contract program, the paper said.

This is a major step aimed at enlarging the scope of market regulation and to expand the use of price levers to stimulate grain production following a drop in production last year. The total output in 1985 was 378.98 million tons, which was 28.33 million tons less than in the previous year. Natural disasters were partly to blame, the paper said.

Good harvests of grain, cotton and other crops are expected this year, He Kang, minister of Agriculture, Animal Husbandry and Fisheries, was quoted as saying. The area sown in grain exceeds last year's, He said.

He also said some major policies must be carried out to boost farm production. He specifically mentioned the policy of requiring industry to provide more support for the governmental and social organizations in developed areas, thus relieving the burden on agriculture and making grain growing more profitable.

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CSO: 4020/250

OIL SUPPLY FOR FARM USE TO BE GUARANTEED

OWO80030 Beijing XINHUA Domestic Service in Chinese 1432 GMT 6 Mar 86

[Text] The sales branch of the China National Petrochemical Corporation dispatched an urgent cable today to petroleum supply departments in all parts of the country, urging them to do a good job in the supply of oil for farm use in order to support agricultural production and ensure a bumper harvest of grain this year.

The cable states: Petroleum supply departments in all localities should take the initiative to coordinate with other departments concerned in distributing oil for farm use. They should see to it that the targets set for the supply of oil for farm use are met by their grass-roots units, and that every effort is exerted to acquire sufficient supply so as to ensure the fulfillment of needs. Under the circumstance of insufficient oil supplies, it is necessary to control strictly the use of diesel engines for power generation and the burning of oil as a fuel in order to guarantee enough oil for use in farm work and for transporting those materials that serve the needs of agricultural production.

The cable asks all sales branches and offices to make positive arrangements to acquire oil supplies and coordinate their efforts with transportation departments to strengthen their contacts with the provinces, autonomous regions, and municipalities concerned so that they will be able to make quick and flexible adjustments of their supply, provide oil to meet the needs in a timely manner, and render satisfactory service. As for oil required in disaster-afflicted areas and key grain-producing areas, appropriate arrangements should be made to deliver the oil on a priority basis.

In addition, the cable requests that all units supplying oil for farm use send their representatives to the first line of agricultural production to get acquainted with the preparatory work being carried out for farming to understand clearly the oil requirements there. To meet the requirements in remote and border areas and those places where adequate transportation facilities are lacking, oil should be delivered to the users to serve their needs.

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CSO: 4007/316

COTTONSEED DETOXIFICATION TECHNIQUE APPROVED

OW090248 Beijing XINHUA in English 0206 GMT 9 Mar 86

[Text] Nanjing, 9 Mar (XINHUA)--The Chinese government has approved a new technique to turn toxic cotton seeds into animal fodder, Professor Liu Fuguang said today.

"The technique, to be promoted nationwide, involves immersing cotton seeds repeatedly in a solvent containing alcohol and gasoline to separate free phenol from the seeds," explained Liu, who teaches at the Wuxi Light Industry Engineering College in Jiangsu Province.

The technique, developed by the college and an oil-pressing factory in Nantong City, was given official approval by the Chinese Academy of Sciences, the Chinese Academy of Agricultural Sciences and the Ministry of Commerce at a meeting in Nantong last week.

"Though containing 37 percent protein, cotton seeds are toxic because their phenol content is 1.9 percent," said Liu, who is in charge of the research topic. So they can be used only as fertilizers.

He said: "Our new technique cuts the cotton seeds' phenol content to the international safety standard of less than 0.4 per thousand, enabling them to be used as animal feed, human food or industrial raw material."

In addition, phenol, the by-product, can be used for making male contraceptives and medicines to treat gynecological and urological diseases.

China's cotton crop yielded 10 million tons of seeds last year, according to the meeting.

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CSO: 4020/250

PRC URGED TO CURB GROWTH OF TOBACCO INDUSTRY

HK110415 Beijing CHINA DAILY in English 11 Mar 86 p 2

[Article by staff reporter Xie Songxin]

[Text] The state has been urged to strengthen its sales monopoly of tobacco and tobacco products to stop the uncontrolled development of the industry.

Chen Shuxun, a senior research fellow of the Office of Industrial Management's Institute of Industrial Economics under the Chinese Academy of Social Sciences, told CHINA DAILY that because of the special character of the tobacco industry it was decided that it should be centrally controlled, and the industry was made a state monopoly in 1983.

Profits came to 12 billion yuan (\$3.75 billion) last year. But the state did not reap all of those profits. Part went to local governments, which not only levy sales taxes on tobacco but also retain management control of the factories.

The monopoly makes possible high taxes and high profits. After taking a share, the state allows local governments to retain a greath proportion of tobacco income to help them develop other industries.

The high taxes are intended to keep the tobacco industry from growing out of hand. However, Chen said the high profits cause local governments to promote development of the industry.

Chen and his group investigated the tobacco industry in 10 cities of 7 provinces last year and discovered many local violations of the regulations of the monopoly on tobacco sales which were promulgated by the State Council in 1983.

Uncontrolled planting of tobacco caused great losses to the state. In 1985, the state had intended to buy only 140,000 kilograms of tobacco. But it ended up with 180,000 kilograms because local governments had encouraged farmers to grow more.

On the other hand, the industry actually needed only 140,000 kilograms, and a large quantity was damaged owing to inadequate facilities for processing, storing and transport.

High profits upset the normal marketing of the best tobacco, fluecured. Local governments try to hold on to as much as possible for their local factories. As a result, makers of famous brands of cigarettes fail to get their full quotas. Last year, the Shanghai Cigarette Factory had to cut production of its popular Zhonghua, Phoenix and Peony brands.

Profits on cigarettes can reach as high as 60 percent. Therefore, local governments encourage their factories to make as many as possible, even though they exceed quotas set by the state. In the city of Bengbu, Anhui Province, tobacco and cigarette taxes account for 66 percent of the city government's revenue. Of Yunnan Province's total revenue, more than half is from tobacco and cigarettes.

Uncontrolled production causes market competition although it is not allowed under monopoly regulations. In some areas, an oversupply forces price-cutting to reduce stocks. In others, tobacco products from other provinces are kept out to protect the local industry and local revenue.

All this has created fund shortages in some places, wasted products in others, and caused uncontrolled development but low efficiency throughout the industry, Chen said. Such losses are around 1 billion yuan a year.

To correct the problems and strengthen the monopoly, Chen suggested the following measures:

--The tax system should be reformed. Taxes should be raised but the state should allow local governments to keep only enough to assist their over-all development but not enough to encourage uncontrolled growth of the tobacco industry. Chen suggested that the national government's share should be about 70 percent.

--The monopoly laws should be enforced. And not just the State Tobacco Monopoly Sales Bureau but all industrial and commercial bureaus and tax offices should be responsible for enforcement.

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CSO: 4020/250

BRIEFS

PRC TO PUBLISH LAND USE, RESOURCE MAPS--Beijing, 15 Mar (XINHUA)--China's first set of maps illustrating land use and resources, with a scale of 1:1,000,000 will soon be completed, according to the Geological Research Institute of the Chinese Academy of Sciences. Among the more than 60 maps, 45, including 6 in full color, have been completed. This is the fruit of a five-year effort by some 300 scientists from 45 organizations. The Geological Institute authorities said that these maps will be valuable for designing China's economic and agricultural plans. [Text] [Beijing XINHUA in English 0842 GMT 15 Mar 86 OW] /9738

CSO: 4020/250

WANG YUZHAO SPEECH AT ANHUI RURAL CONFERENCE

OW081421 Hefei ANHUI RIBAO in Chinese 5 Feb 86 p 1

[Excerpts of speech by Wang Yuzhao delivered at the provincial meeting on rural work on 30 January: "Deepen Reforms, Comprehensively Revitalize the Rural Economy"]

[Excerpts] I. Basic Appraisal of the Rural Situation in 1985

Last year, following its success in the first-stage rural reform, which focused on the adoption of the system of contracted responsibilities with remuneration linked to output, Anhui also took a major step and successfully reformed the unified and fixed state purchase system for farm produce and readjusted rural production structure. Broad masses of peasants have shown greater initiatives in production and are more enthusiastic about working hard to improve their standard of living. The commodity economy has become more prosperous. After rapidly expanding for several years, our rural economy has entered a new phase of sustained, stable, and balanced development. At the beginning of 1985, we put forward three demands: readjusting the production structure; changing the crop mix, putting more emphasis on crops other than grain and restructuring the labor force; and achieving progress in developing village and town enterprises, in livestock breeding and aquatic products industry, and in small towns. Major progress has been achieved in these areas, thanks to the concerted efforts of the vast numbers of cadres and the people. The growth rates of our major farm produce and the total agricultural output value were in the nation's forefront. Last year's practice has fully demonstrated that the central committee's strategic decision on second-stage rural reform is completely correct. Anhui's countryside has undergone tremendous changes, and the trend of development is good. Reform has opened a new path suitable to Anhui's reality.

Reform has basically stabilized grain production and has laid a solid foundation for readjusting rural production structure and developing the provincial economy. Grain output is estimated at more than 43 billion jin, the second best year in history. The grain procurement task is also expected to be fulfilled, with more grain shipped out of the province than any other past year. We have every reason to believe that the reform of the unified and fixed state purchase system for farm produce has succeeded.

It has given more decisionmaking power to the peasants regarding commodity production and thereby forcefully promoted development.

Reform has enabled various economic sectors to complement each other and has made the production structure more rational. As a result, the rural economy has taken a giant step forward toward diversification and balanced development. Last year, the percentage of farmland sown to grain crops declined to 70.8 percent from 77.7 percent of 1984 while the percentage of cash crops rose from 23 percent to 29.2 percent. The ratio of the output value of crop cultivation to that of agriculture as a whole is expected to go down from 76.9 to 74.2 percent, while the ratio of forestry, livestock breeding, sideline production, and fishery is expected to rise from 23 to 25.73 percent.

In the process of readjustment, breakthroughs in the following three areas were most remarkable:

The first breakthrough was in village and town enterprises. Village and town enterprises produced 8.52 billion yuan in output value last year, 3.8 billion yuan or 81 percent more than in 1984. They produced more than 1 billion yuan of profits and paid 0.3 billion yuan in taxes to the state, increases of 72.4 and 87.3 percent respectively over 1984. The number of household and joint household enterprises has increased by more than 300,000 to over 678,000, with more than 3.7 billion yuan in output value, which was 1.5 times that of 1984. In 45 counties there was an output value of more than 0.1 billion yuan last year, while there was only 1 in 1983 and 15 in 1984 that reported an output value of this amount. In addition, six counties (districts) produced more than 0.2 billion yuan in output value for the first time in their history.

The second breakthrough was in economic diversification. In the course of readjusting the production structure, various localities paid attention to both grain and cash crops. Total agricultural output value was able to grow at a considerably higher rate, even though grain output registered a slight decline. The output of oil crops, hemp and flax, silkworm cocoon, fruits, meat, eggs, dairy products, and aquatic products, and the number of large animals and poultry raised broke previous records. The production norms for forestry were also completely fulfilled. The output value of the state farm and land reclamation departments rose 12 percent over 1984, even though their grain output had decreased as a result of natural disasters.

The third breakthrough was in the development of small towns. By the end of 1985, Anhui had more than 3,450 small towns, of which 375 were chartered, an increase of 73. More than 1.1 million peasants went to the towns to conduct business or to work in factories, and more than 469,000 of them had completed procedures to move to the towns under the condition that they would take care of their food grains themselves. Newly built houses totaled more than 6.8 million square meters in floor space, and the 319 rural markets constructed last year had a total area of 1.25 million square

meters. Both the streets and public facilities have notably improved. A number of communities engaging in specialized production and markets catering to the needs of the nation have appeared in various parts of the province.

Reform has revitalized our rural economy and brought encouraging benefits to the province. Our agricultural output value last year is estimated at 18.6 billion yuan, an increase of 20.3 percent over 1984. The annual growth rate for the period of the Sixth 5-Year Plan averaged 15 percent, far more than the 7.4 percent target set under the plan and also surpassing the 10 percent national average. The grain produced in the last 5 years was 5.6 percent more than the target set under the Sixth 5-Year Plan. The targets set for the volume of cash crops, livestock products, and aquatic products, and for afforestation area were all surpassed. The economic benefits from agricultural production also greatly increased. Per capita output value reached 798 yuan last year, 83 yuan more than in 1984. Per capita rural income is estimated at 356 yuan, 13.5 percent over 1984 or nearly twice as much as 1980. In 1982, Comrade Hu Yaobang said that by 1985 Anhui should have roughly four different levels of income in the rural area, that is, 200, 300, 400, and 500 yuan, and the per capita income should average 350 yuan. This target has been achieved. While building material civilization, we have also made new progress in developing spiritual civilization in the countryside.

The year of 1985 was the first one in the second-stage reform and the full-scale readjustment of rural production structure. Some problems have appeared because of our lack of experience. The main problems are uneven development, slow progress in a number of places, inadequate followup measures of reform, failure of the service sector to meet the demands of production development, and haste and shortsightedness in the readjustment measures taken by a few areas. In addition, circulation is not smooth in the countryside, and the difficulties of selling and purchasing have not been resolved. The burden of the peasants is still heavy. Financial and material management in some places is rather chaotic. Rural scientific and technological work is unable to meet the needs of readjustment. In some places, grassroots party organizations and government structure are rather weak, and the ideological-political work is slack. These are problems that are expected in our development. If we continue our reform, seriously carry out the party's policies, and mobilize all positive factors, these problems should not be difficult to resolve.

Looking back on the course of reform in 1985, I have the following understandings:

1. We Must Constantly Eliminate Interference and Adhere to Reform Without Wavering

Last year when we readjusted the industrial structure, reduced the grain acreage, expanded the cash crop acreage, developed town and township enterprises, and abolished the state monopoly purchase system, we heard many

complaints, but we did not waver. We did not back out when facing difficulties. On the one hand, we analyzed the situation, unified our thinking, and firmed up our determination to carry on reform. On the other hand, we carefully mapped out measures to solve the problems then arising, gave good guidance, and persevered in making reforms. We eventually won the victory of the "initial battle which was carefully fought."

Experience shows that encountering problems is unavoidable while making reforms. When we firm up our confidence, stick to reform, and use reformed methods to solve problems arising in the course of reform, we can certainly promote sustained, steady, and harmonious development of the rural economy.

2. We Must Respect the Creative Initiative of the Masses and Follow the Way Which Suits the Practical Condition of Anhui

Now that the problem of adequately feeding and clothing the peasants has been solved, how should we lead them to a well-to-do status? Proceeding from the concrete condition in Anhui, we proposed that development of town and township enterprises be made an important strategical measure for realizing the goal of doubling and redoubling the agricultural output value to make the people rich and the country strong.

3. We Must Give Correct Commands To Insure the Sound Development of the Reform Drive

4. We Must Expand the Country-Level's Self-Decision Power so as to Intensify the Reform Drive

II. Major Points of 1986 Tasks

In 1986 the overall requirement of the rural work in our province is: to implement the policy; intensify the reform drive; improve conditions for agricultural production; do well all the organizational work with service as the central task; and promote the sustained, steady, and harmonious development of the rural economy. The specific targets are: 44 billion jin of grain output, 3 billion jin of oil-bearing crops, 3.5 million dan of cotton, 1.5 million mu of afforestation, 12 billion yuan total output value of town and township enterprises, over 20 billion yuan of the total agricultural output value, and an increase of 50 yuan in peasants' per capita income. These major targets will be submitted to the Provincial People's Congress for approval.

1. The Structure of Agricultural Production Will Continue To Be Readjusted

The general objective of readjusting the structure of agricultural production is to shape up a comprehensive structure with agriculture as the foundation, with the multitude of undertakings interrelated and harmoniously developing, and with resources, funds, the labor force, technical know-how, and other factors to production being combined in the best possible way so that the economic, ecological, and social benefits can be achieved, the

virtuous cycle of the rural economy can be realized, and peasants can become richer more quickly. This year we should achieve one steady growth--steady growth of grain output; and four new breakthroughs--progress in animal husbandry and marine products, town and township enterprise development, forestry, and commercial circulation.

2. Town and Township Enterprises Will Be Further Developed

All areas must seriously follow the principle of "active assistance, reasonable planning, correct guiding, and strict control," adhere to the development orientation of "being based on and serving agriculture," and mobilize the six links of county, district, town, township, household grouping, and individual households to work equally hard while emphasizing households groupings and individual households. Development efforts should be concentrated on first, processing and transforming farm produce and sideline products; second, opening up and multipurpose use of mineral resources; third, production of urban industries; subcontract products and products that can earn foreign exchange; fourth, building industry and building materials industry; and, fifth, tertiary industry. On the basis of developing the enterprises run by households groupings and individual households, towns and townships should also make efforts to build a number of backbone collective enterprises to play the "dragon head" role.

Related departments' support is indispensable to the development of town and township enterprises. All support policies that have been set must not be changed at will. Taxation departments must tax these enterprises adequately. Monetary departments must make arrangements to provide maximum possible funds and loans to help develop town and township enterprises.

3. Further Improve Circulation of Commodities

We should put into practice a simplified and open-type circulation system that incorporates different economic forms, multicirculation channels, and different operation styles. We should also increase circulation volume and speed. As for the procurement and marketing of agricultural sideline products, we should encourage multichannel operations and competition. County government will from now on be empowered to oversee grain procurement. As long as the grain procurement quota is met, grain can be sold outside the county. State-run commercial enterprises and supply and marketing cooperatives should build up adequate stock for meat, poultry, eggs, aquatic products, and winter vegetables--important commodities which directly affect people's livelihood. Take good advantages of storage facilities, capital and manpower, means of transportation, and on the basis of good market forecasts, control the supply of major commodities; actively engage in market regulation, hold down commodity prices and fully play a guiding role.

4. A Perfected Cooperative System With Service at Its Center

5. Strengthen and Perfect the Contract System

Grain, commercial, and supply and marketing departments should have concluded contracts with peasants at the beginning of the year with regard to procurement of this year's grain and other agricultural sideline products.

Methods of grain contracting should be further improved. In order to protect production and encourage peasants' sale of grain to the state, the state has decided to reduce the assigned grain quota contract for our province. We will, in accordance with the state's assigned task, reduce the quantity of grain purchased through contracts and increase the proportion of grain purchased at market prices.

6. Lighten the Peasants' Burden

We should unify thinking, control scope, set up criteria, and improve methods to solve the problem of overburdened peasants. From now on, all undertakings that the state organs and departments intend to set up in rural areas must be weighed against their own financial resources and peasants' financial conditions beforehand. Random and arbitrary levies and increases in levy through pretexts are forbidden.

7. Introduce New Scientific and Technological Progress Into Rural Areas

8. Accelerate Improvement of Conditions for Farming Production

Leaders at all levels have begun to realize the importance of increasing funds to improve production conditions and engage in technological transformation. We should, in a down-to-earth manner, devote our attention to stepping up rural capital construction, providing impetus for agriculture and to the sustained development of rural economy.

Capital needed to improve conditions for agricultural production should mainly be raised by collectives and masses themselves. Financial departments at all levels should at the same time increase investment. Starting this year, in addition to making full use of increased state's allocated investment funds for rural capital construction, farming operation fees and other special farming funds, the province plans to appropriate some surplus funds from the provincial treasury and use them for agriculture. The province also plans to use a certain proportion of income taxes levied from town and township enterprises and industrial and commercial taxes to assist agriculture.

9. Assist Poor Areas in Shaking Off Poverty

10. Continue To Do a Good Job in County-Level Comprehensive Economic Reform

We must continuously do a good job in 22 counties which are engaged in trial county-level comprehensive economic reform; decision-making power at county-levels should be expanded; the county-level economy should be

strengthened. We should open up our minds and further emancipate thinking. We should strengthen our understanding of commodity economy; learn ways to accumulate, manage, and make use of wealth; put our advantages into play and avoid shortcomings; and fully explore economic potential in each county.

Comprehensive economic reform at the county-level involves many departments; requiring strengthened leadership and coordination. Departments concerned in the province, prefectures, and cities should actively and enthusiastically help solve difficulties; help remove unreasonable stipulations that hamper the county's creativity and initiative; and render energetic support to and serve those counties undergoing comprehensive economic reform.

III. Seriously Strengthen Leadership Over Rural Work

Stable rural economic development directly affects the national economy as a whole. Party committees and governments should always give top priority to rural work and carry it out successfully.

1. Achieve Unity in Thinking and Understanding, Persist in Reforms, and Never Turn Back

At present, the most important thing is to seriously study, publicize, and implement this year's Central Document No. 1 and the important speeches of our central leading comrades and to make the vast numbers of party members, cadres, and the masses correctly understand the current situation so they will have strong confidence in the reform and carry it out with determination.

2. Carefully Plan and Arrange Rural Party Rectification, Combine Party Rectification With the Drive To Strengthen Grassroots Organizations

Rural party rectification should be systematically carried out. Currently we should concentrate on party rectification at the district and township level and strive to complete it in the first half of this year, before the start of the busy farming season. In district and township party rectification, we should stress positive education and correctly conduct criticism and self-criticism. We should pay close attention to local conditions and stress key points. We should educate party members in party goals. We should rectify the thinking and workstyle of party members, especially cadres with party membership in the course of straightening out financial affairs and reducing the peasants' burden. We should also pay attention to ensuring a sound innerparty life. Village party rectification should be conducted after the autumn harvest.

Grassroots work, including grassroots organizational construction, is the foundation of our entire rural work. Many things will become empty talk if this work is not done well. To ensure its success, the most important thing is to build good leading bodies and raise the cadres' qualities. Township governments should assume the responsibility of organizing the economic life. Established economic organizations at the township level

should be further improved. Efforts should be made to strengthen the training of rural grassroots cadres to improve their political awareness, theoretical and policy standadres, and scientific and educational levels.

3. Improve Leadership Style, Pay Attention To Work Methods

4. Further Strengthen the Building of Socialist Spiritual Civilization in the Countryside

The year 1986 was the first year of the Seventh 5-Year Plan. Comrade Yaobang recently pointed out: We must do better in the next 5 years than we did in the previous 5 years. We must firmly implement the party Central Committee's correct line, principles, and policies, strive to overcome difficulties, and work in unity for a splendid future!

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CSO: 4007/318

BRIEFS

ANHUI FIGHTS DROUGHT--Since last winter rainfall has been scarce in most of Anhui. In places north of the Huai He, only 30 millimeters of rainfall was registered, 50 to 60 percent less than normal. Water volume in reservoirs in south of the Huai He and the Chang Jiang was lower than in past years. Therefore, the provincial water conservancy department issued a circular calling on various localities to pay attention to spring irrigation and drought-fighting work. [Summary] [Hefei Anhui Provincial Service in Mandarin 1100 GMT 6 Mar 86 OW] /9738

ANHUI FISHERY PRODUCTION--Hefei, 17 Feb (XINHUA)--The Anhui Provincial People's Government stresses fishery production this year. The province has built 1,300 fishing villages; over 1 million farming households contracted for over 1 million mu of fish ponds; and some 88 state commercial fishing grounds have been established. Total fishery output in 1985 reached 160,000 metric tons; gross fishery output value reached 200.93 million yuan. The province plans continued promotion of fishing technology across the province and to add another 500,000 mu of paddy field for fish breeding. [Summary] [Beijing XINHUA Domestic Service in Chinese 0102 GMT 17 Feb 86 OW] /9738

ANHUI AGRICULTURAL PROJECT--A development project in Anhui Province, known as the Pi-Shi-Hang Project, was started at the end of last year. This is the largest agricultural project using foreign capital in the Seventh 5-Year Plan with a total investment of 712 million yuan. The investment includes a \$92 million loan from the World Bank. The project, aimed at improving irrigation facilities and increasing the flood-draining capacity, involves 13 counties of Luan and Chaohu Prefectures and Hefei City, covering 25,450 square km. It will take 5 years to complete. To strengthen the management of this project, the Anhui Provincial Government has formed a leading group for using foreign capital in developing agriculture, headed by Vice Governor Meng Fulin. [Summary] [Hefei Anhui Provincial Service in Mandarin 1100 GMT 21 Feb 86 OW] /12232

CSO: 4007/316

BRIEFS

FUJIAN TREE NURSERIES--Fuzhou, 6 March (XINHUA)--Fujian authorities plan to spend 7 million yuan over the next 5 years on developing the province's tree seed farms, provincial Forestry Chief Fu Guibi, said here today. The province, on China's southeast coast, has already invested 10 million yuan in seed production since 1974, and is now one of China's leading nursery areas, said Fu. It now has more than 100 tree seed farms, and produced 30 tons of seeds of superior tree strains last year. The province has 1,000 hectares of land devoted to seed production, 1,100 hectares to maternal trees, 83 hectares to saplings, and 590 hectares for experimental use. Fu said the seed farms were expected to grow to cover 4,000 hectares by 1990, when they should be able to produce 178 tons of seeds. Subtropical Fujian is one of China's key forest regions with 4,500,000 hectares of forests, and a forest coverage of 39.5 percent. It has 430 million cubic meters of standing timber reserves, and an annual timber yield of more than 4 million cubic meters. [Text] [Beijing XINHUA in English 0701 GMT 6 Mar 86 OW] /12232

CSO: 4020/242

GANSU AGRICULTURAL BANK INSPECTS LOAN GRANTING WORK

HK060447 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 28 Feb 86

[Text] The Provincial Agricultural Bank launched a large-scale inspection of the work of granting loans, solved the problem of abusing power and really corrected party and bank work styles. This has received a good response from the peasants.

In recent years, some credit cooperative workers of the Provincial Agricultural Bank has their concept about party spirit and policies blunted. Therefore, there were problems of abusing power, embezzlement and arbitrarily granting loans. In order to correct these unhealthy tendencies, the Provincial Agricultural Bank pooled efforts from various sectors and formulated measures. Beginning October last year, it launched a full scale check on all loans granted in and after the 4th quarter of 1984.

In addition, two of the Provincial Agricultural Bank's branch heads personally led cadres in handling major cases in seven prefectures and cities, including Xinyang and Jingchuan. They also solicited opinions from local party and government authorities, as well as the masses.

The agricultural banks at all levels have examined every agricultural, commercial, collective and individual loan. According to the statistics conducted in nine areas including Lanzhou and Jiuchuan, by the end of January this year, over 1,700 banks, credit cooperatives and offices were checked, involving a total amount of over 1.4 billion yuan. Some 25 million yuan of arbitrarily granted loans was recovered. They were granted without prior approval, failed to meet the requirements for granting loans, or were granted just because of personal relationships. About 30 people who abused power in the granting of loans had party and government measures taken against them. Also, the bank reported to the judicial departments for handling, the cases of six people who committed serious crimes.

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CSO: 4007/316

BRIEFS

QUANGDONG HARNESSSES RIVERS--Quangdong People's Government decided that beginning this year, it would allocate 8 million yuan annually for 10 consecutive years, to harness the upper reaches of the Hanjiang and Bei Jiang, in addition to allocating building materials to the 5.6 million mu area in the upper reaches for harnessing ports. At present, the province's area affected by soil erosion, accounts for about 4 percent of the province's total area. According to statistics from 17 counties and cities in the upper reaches of the rivers, over 47 million square kilometers of area is affected by soil erosion. The area of farmland affected by this accounts for 25 percent of the province's cultivated area. [Summary] [Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 26 Feb 86 HK] /12232

CSO: 4007/316

SCIENTISTS BOOST ECONOMY IN MOUNTAIN AREAS

OWO10840 Beijing XINHUA in English 0655 GMT 1 Mar 86

[Text] Guiyang, 1 March (XINHUA)--A pastry factory in a county in southwest China was facing bankruptcy because of high costs and limited market, when a scientist went to make a survey.

The scientist, Tang Mengxuan, director of the Guizhou Provincial Commerce Institute, suggested the factory tap the resources of wild palnts for production of preserved fruit.

With technology and equipment provided by the commerce institute, the factory produced 25 varieties of preserved fruit and nutritious juices, and earned 12,000 yuan in profits between August and December 1985, recovering the total investment in 5 months.

This was only one of the examples of scientists from Guiyang, capital of Guizhou Province, helping peasants in poverty-stricken areas to develop their local economies.

The province Science and Technology Commission organized 30 experts in agriculture, animal husbandry, hydraulic engineering, light industry, and geology to investigate natural resources and work out overall plans of economic development in mountain areas earlier last year, following the direction outlined by China's leaders.

Inspecting Guizhou Province not so long ago, Chinese Communist Party General Secretary Hu Yaobang and Premier Zhao Ziyang repeatedly encouraged scientists to contribute to the economic development of mountain areas where the climate is favorable for crops and natural resources are abundant.

The scientists have worked out 23 schemes since last March for grain production, animal husbandry, horticulture, processing of farm produce, mining, building material production, handicrafts and packaging.

The four pilot mountain counties, inhabited by minority nationalities, invested 4.4 million yuan in the projects, which yielded a total output value of 12.4 million yuan and a net profit of 4.5 million yuan last year.

The 33 families in Zhangzhai Township, Yuping Autonomous County of the Tong nationality could not support themselves and had to depend on relief funds and food for years.

Technicians helped the peasants learn techniques of breeding pigs and prevention of pig diseases, as well as introducing fine breeds and mixed feed.

The 33 families sold 710 head of pigs last year. In addition to paying off loans, each household earned 860 yuan, the biggest sum they had ever seen.

Moreover, peasants who had been illiterate for generations began to attend various technical training courses, while those who could read and write flocked to bookstores.

Last year, the four counties held 700 training courses with a total attendance of 56,000, one-eighth of the local labor force.

With a better understanding of the gap between their own and developed regions, the peasants there began to bid farewell to the closed natural economy. The four counties have established ties with more than 100 research institutes, colleges and industrial enterprises to acquire information, personnel and funds.

Encouraged by the initial success, the provincial government this year plans to assign more scientists and allocate 20 million yuan for development of the mountain areas, which cover the majority of the land mass in the province.

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CSO: 4020/242

COMMITMENT MADE TO DEVELOP AGRICULTURE, GRAIN PRODUCTION

OWO61729 Beijing XINHUA in English 1528 GMT 6 Mar 86

[Text] Guiyang, 6 March (XINHUA)--Guizhou Province in southwest China will spend more than 300 million yuan this year, 25 percent more than last year, on agricultural development.

Local officials said here today the province is determined to achieve a grain harvest equal to that of 1984, the highest ever in its history.

Guizhou's grain production decreased by 21.6 percent last year as a result of "natural disasters" and a 200,000-hectare decrease in its grain-growing areas. The decrease in the grain-growing areas was part of Guizhou's program to adjust the structure of its agriculture.

The officials noted that the province will make efforts to increase its grain yield for future agricultural development.

Guizhou has a population of 29 million, including 26 million peasants. The average per capita annual income of the peasants was 296 yuan last year, one of the lowest in China.

The province has decided to spend 20 million yuan of extra money this year helping boost its underdeveloped rural areas, said the officials.

To develop its agriculture, Guizhou also plans to popularize agricultural sciences among the peasants. It has decided to offer technical training in the next 2 or 3 years to all the 2.6 million high school graduates and 400,000 demobilized soldiers in its rural areas.

More than 500,000 peasants in Guizhou have already received the training and the province plans to open training courses for another 1 million peasants this year.

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CSO: 4020/242

SCIENCE HELPS EAST HEBEI INCOMES TO ROCKET

OWO21132 Beijing XINHUA in English 1056 GMT 2 Mar 86

[Text] Shijiazhuang, 2 March (XINHUA)--Peasant income in East Hebei Province has rocketed six times to 300 yuan per person over the past 3 years thanks to the dissemination of scientific techniques, according to the provincial authorities.

This part of northern China, called the Heilonggang area, covers 38,000 sq km, including 15 counties and cities. The natural conditions used to be so hostile that water available for irrigation was less than one-eighth of the national average and the poor alkaline soil yielded only about 750 kg of grain per hectare.

With outmoded farming techniques, local peasants "had to depend on loans and relief grain" when the per capita annual income remained at about 60 yuan up to 3 years ago.

The State Science and Technology Commission entrusted Hebei Province with conducting comprehensive research into changing the situation in 1982.

Over 500 scientists from 9 research institutes, colleges, and other units concentrated on rational irrigation, fertilization, and cultivating techniques.

To disseminate science steadily, they have established pilot households who receive training, technical guidance and data, as well as fine strains and breeds first. Through those households, techniques have been spread to more villagers.

Scientists also held training courses and toured villages to extend technical consultancy.

Under the guidance of those scientists, plus flexible policies, the grain output of the 39,000 hectares of farmland averaged 5.4 tons per hectare last year, almost doubling the figure for 1982.

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CSO: 4020/242

RURAL ENTERPRISE SUPPORT OF AGRICULTURE URGED

Beijing ZHONGGUO XIANGZHENQIYE BAO in Chinese 7 Dec 85 p 1

[Article by Ma Qingqiang [7456 3237 1730] and Li Xudong [2621 2485 2639]: "Agriculture Development in Hebei Depends on Township and Town Enterprises; In Past 4 Years Township and Town Enterprises Have Provided Villages with More Than 5.8 Billion Yuan in Funds, Annually Providing More Than 200 Million Yuan for Farmland Water-Conservancy Capital Construction"]

[Text] During the Sixth 5-year Plan, township and town enterprises in Hebei have conscientiously implemented the policy for adjustment of the national economy, demonstrating a new degree of continued and stable growth with substantial results and at a number of levels. They have achieved the goals of the Sixth 5-year Plan 1 year ahead of schedule. It is predicted that this year in Hebei, the total income for township and town enterprises may be 15 billion yuan, 40 percent more than last year.

Centering industry on agriculture and making industry promote agriculture is the fundamental guiding thought of the provincial central committee and provincial government on the development of township and town enterprises. From 1981 to 1984, the total income of Hebei's township and town enterprises was 22.46 billion yuan, of which 5,878,000,000 yuan were funds used to support agricultural production, 26.2 percent of the total income; this included 840 million yuan in funds used to purchase large agricultural machinery, farmland water-conservancy capital construction, aid to poor teams for the development of production, and the establishment of agricultural technical service centers (stations); 5,038,000,000 yuan in funds were used for direct distribution among commune members, paying the wages of commune members working in industry, use in collective welfare institutions, substitute payment of the agriculture tax, and grain and vegetable subsidies. In addition, more than about 500 million yuan were paid in subsidies to village cadres, wages of teachers at locally-run schools, and fees assisting households enjoying the five guarantees.

During the Sixth 5-year Plan, direct services from township and town enterprises to agricultural enterprises and the quantity of products have increased annually. According to statistics, from 1981 to 1984, township and town enterprises in Hebei produced more than 370,000 tons of nitrogen,

phosphate, and potassium fertilizers, about 4,100 tons of various agricultural chemicals, 109 million parts for agricultural machinery, 68 million iron and 18.39 million wooden agricultural tools.

Every year township and town enterprises invest more than 200 million yuan in farmland capital construction, which improves agricultural production conditions and promotes reform of the agricultural production structure. Hebei has had 4 straight years of bumper grain and cotton harvests; with this as a basis, this year's total grain yield is 1.1 billion jin more than last year's, again setting a historical high. The growth of township and town enterprises has improved the peasants' standard of living. In the past 4 years township and town enterprises in Hebei have given out 4.97 billion yuan of funds for distribution among commune members and as payment of wages to commune members working in industry, an average of 260 yuan for each working person, and 15 percent of the rural per capita income in Hebei. Medium and small agricultural tools produced by township and town enterprises for the needs of the rural production responsibility system account for 60 percent of those sold in villages.

12919/13104
CSO: 4007/177

COTTONFIELD HAIL DISASTER INSURANCE EXPANDED

Shijiazhuang HEBEI RIBAO in Chinese 30 Nov 85 p 2

[Unattributed article: "Knowledge About Insurance; Cottonfield Hail-Disaster Insurance"]

[Text] Cottonfield hail-disaster insurance refers to being able to quickly receive economic compensation after suffering hail-disaster damage during the cotton-growing season, thus it is one kind of insurance for protecting farmers' economic interests.

Cotton is one of the province's major cash crops. In the last several years cotton cultivation has developed rapidly, and has moreover already become an important avenue for farmers to enrich themselves by their diligence. However, natural disasters occur yearly, and particularly the damage which a hail disaster poses for cotton is even greater. Cotton farming is extremely worrisome, and there is a pressing need to offer insurance services for it. To do this, the province ran experimentally cotton hail-disaster insurance for the first time last year in Xinle County. It was well received by cotton farmers. This summer, cotton hail-disaster insurance has already been expanded across the province to 12 counties, and the contracting area is more than 68,000 mu and insurance premiums are more than 4.8 million yuan. Insurance companies have awarded more than 68,000 yuan, and effectively insured the farmers' economic interests.

Insurance Awards: Cotton hail-disaster insurance awards are insurance awards calculated from the production costs in seeds, water, fertilizer, electricity, pesticides, labor time, and so on used by farmers when cultivating cotton, and are included in the insured costs. The per mu insurance figure determined by calculation is 70 yuan. The insurance fee is 1 yuan. Practice shows that cotton field insurance costs are not only within the economic means of farmers, they also fit the country's farm insurance management principles.

Period of Coverage: Generally calculated from when the cotton shoots appear from the soil until 30 September by which time the cotton harvesting has essentially been completed. Insurance cannot be discontinued during the insurance period, nor fees returned. Procedures for participation in insurance for the following year have to be performed separately.

Handling of Compensation: Except for a total loss (production is a total loss), it is difficult to calculate accurately the loss ratio after a cottonfield has suffered losses from a hail disaster. The more practical compensation method sorted out by tallying the facts are: First, total loss (production is a total loss) stipulates that a limit of 30 percent of the guaranteed per mu compensation figure for prior to the end of May (70 yuan times 30 percent equals 21 yuan), 80 percent from 1 June until the end of June, 100 percent from 1 July to the end of August, and 30 percent from 1 September to the end of September. Second, partial loss stipulates that: 1) Plants are calculated from shoots, and mu are calculated from plants and applied to the sequence for total loss compensation once the sum of losses is calculated. 2) Jin are calculated from cotton bolls lost by falling off, and value determined from jin and applied to the sequence for total loss compensation once the sum of the losses is calculated. 3) A loss ratio is set by determining losses by sampling, and applied to the sequence for total loss compensation once a sum of the losses is calculated. 4) Compensation is fixed by ratio when the destroyed area exceeds the number of mu insured.

Duties of the Insured: After joining cottonfield insurance, the insured still should carry out the following duties: 1) the insurance premium must be paid once and in full prior to the beginning of insurance; 2) positive efforts at salvage should be made, losses minimized, and the insurance company notified immediately to facilitate prompt survey and handling after insured cottonfields suffer losses by a hail disaster. If the insured do not perform the above duties, the insurance company has the right to terminate its insurance responsibilities or refuse compensation.

13152/7051

CSO: 4007/207

BRIEFS

HEBEI PEASANTS INCREASE INCOME--According to a sample survey by the provincial Statistical Bureau, the income of peasants throughout the province has increased day by day and their living standards have generally improved. In 1985, the average per-capita net income of peasants throughout the province reached 385 yuan, an increase of 40 yuan or 11.6 percent over 1984. Each peasant spent an average of 297.6 yuan on living, an increase of 54.4 yuan or 22.4 percent over 1984. Expenditures on material goods, such as food, clothing, daily necessities, accommodation, and fuels increased comprehensively. The amount of household durable goods owned by peasants increased remarkably. By the end of 1985, every 100 households owned an average of 143 bicycles, 71 sewing machines, 133 watches, 17.5 television sets, 4 cassette recorders, 3.9 washing machines, and 5.9 electric fans. [Text] [Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 14 Feb 86 SK] /12232

HEBEI AFFORESTATION ACHIEVEMENT--Shijiazhuang, 6 Mar (XINHUA)--In the 3 years since 1983, the people of Hebei's Taihang Shan area have afforested 6.5 million mu of land. In addition, they have planted 210 million trees on odd pieces of land around houses and villages and along roads and waterways. The Taihang Shan area in Hebei Province involves 28 counties in Handan, Xingtai, Shijiazhuang, Baoding, and Zhangjiakou prefectures, with a total area of some 30,000 square kilometers. [Summary] [Beijing XINHUA Domestic Service in Chinese 0010 GMT 6 Mar 86 OW] /9738

CSO: 4007/319

FLAX PROCESSING URGED

Beijing ZHONGGUO XIANGZHENQIYE BAO in Chinese 7 Dec 85 p 4

[Article by Xiang Chen [5046 2525]: "Flourishing Township and Town Flax Processing Industry"]

[Text] Flax is an annual herb. After physical and chemical treatment, its fibers can be spun into yarn and woven into cloth. When blended with wool, fibers, or cotton, it has the qualities of being cool, holding its shape, elegance, durability, and quick-absorbence of water. Therefore, clothing, furniture coverings, sheets, towels, napkins and handkerchiefs made from it have been very popular in foreign markets.

Heilongjiang is the key flax producer in China, producing 90 percent of the entire national output. In recent years, the area planted in flax has continually expanded, and there has been a corresponding increase in township and town plants processing flax fiber. But because almost all of the products are exported, it is limited by changes in the international market, and for a time there was a slump. In some areas, processing plants have had to close down because they could not market their products, thus dampening the peasants' enthusiasm for growing flax.

In order to take advantage of Heilongjiang's excellent flax resources, the provincial Township and Town Enterprise Bureau, the China General Trust Co. and Lanxi County have collected 16.5 million yuan in funds to build in Lanxi County, a flax-producing area, a 5,000-spindle fine linen textile mill; several linen-cotton processing plants have also been built; annual production of fine linen is 2 million meters, worth \$12 million and making a profit of \$6 million. The annual production of linen-cotton is more than 3,000 tons, worth \$4 million. At the same time, township and town plants processing flax fiber have been consolidated and developed. Some of the flax fibers produced in these plants are given to textile mills for production of fine cloth, all of which is exported; some short fibers are supplied to township and town linen-cotton plants for processing linen-cotton. This has broadened the markets for flax fibers and linen textile mills are again thriving and growing. They have grown from more than 80 in 1982 to the current 122. The development of flax processing also promotes flax cultivation. At present, acreage has returned to the 1.3 million mu of 1980, the historical high. Development of flax cultivation also guarantees and promotes the growth of

flax processing. The Lanxi linen textile mill, now being enlarged, is growing in the direction of intensive processing of linen suits, drawwork, and embroidery. Currently flax cultivation and marketing in Heilongjiang are being integrated into a system, becoming a bulwark of township and town enterprises. The annual output value of more than 38 million yuan and profit of more than 5.5 million yuan account for 16 and 18 percent, respectively, of township and town light industry output value in Heilongjiang.

12919/13104
CSO: 4007/181

LOWER FERTILIZER PRICES, OTHER STEPS HELP FARMERS

Beijing RENMIN RIBAO in Chinese 14 Dec 85 p 1

[Report by Jing Bo [2529 0590]: "Burden for Henan's Farmers Reduced and Service Links Strengthened; Pragmatically Protect and Encourage Food Production Enthusiasm"; based on 13 December XINHUA Zhengzhou City wire]

[Text] While Henan Province has continued to lead expansion of full-scale readjustment of the overall rural industrial structure, attention has been paid in the second half of this year to survey studies and the selection of positive measures for protecting and encouraging farmer enthusiasm for grain production.

Henan farmers took additional steps this year to readjust the industrial structure on the basis of market needs, and further rationalize grain and cash-crop acreage. Farmers in many districts are gradually switching from hanging onto grain production alone over to also operating or specializing in trades in industry, commerce, transportation, construction, mining, and so on, and there has appeared across the great expanse of agriculture villages the prosperous new presence of a myriad of enterprises. However, in some districts farmer enthusiasm for farming is not high. The reason is that, when calculated on the basis of economic profits, income from industry and commercial work is higher than for farming. Reform of the unified purchasing system for agricultural products and implementation of the state buying grain from farmers according to fixed levies were initially good for farmers, but, following price increases in fertilizer and the other means of production used by farmers, farmers actually have benefited little. From all quarters, hands reach out and quotas and extractions are made arbitrarily; the farmer is overburdened. Commodity circulation is obstructed and information stale, and service for agriculture before and after production cannot keep up.

These factors affect the enthusiasm for farming of a portion of the farmers and has lowered investments in the land. Basic farmland construction has been neglected, operation is slipshod, and in different districts land has even been left uncultivated.

Facing up to this new situation, the Henan Provincial CPC Committee and Provincial Government quickly called together the relevant provincial departments about the problem of how to protect and foster farmer enthusiasm for farming, and held a seminar to talk about it. At the same time they reminded various

prefecture, city, county, and township leadership organizations to be certain to pay attention to solving this problem.

The main measures they adopted were:

To start with the facts and still take agriculture development as a major foundation of economic development for the whole province's citizens. In ideological leadership, it is necessary to sustain steady growth in grain production, and pragmatically protect the national economy's continued, coordinated, and balanced development. Under this precondition, the internal production structure will be further rationalized, and daily increases realized in society in material wealth by developing cash crops and forestry, animal husbandry, and aquatic and other small animal-raising industries according to market demand, natural conditions, and what suits particular localities.

Strengthening and improving service links in agricultural production will in many ways create the conditions for farmers to grow grain crops. In the last half of this year, Henan Province agriculture departments of all levels have trained up to 3.7 million farmers by organizing technical explanation and publicity groups, establishing technical consultation offices, and sponsoring technical training classes and on-site demonstrations, and also solved many technical production problems by printing and distributing more than 5 million copies of various kinds of technical materials. Before sowing winter wheat, various areas energetically launched the work of purchases of good seeds and careful selection and supply, and also organized farmers to make up surpluses and shortages among themselves.

Lowering grain-production costs by suitably adjusting prices for chemical fertilizer and other agricultural production materials downward provides the farmer with solid benefits. The Henan Provincial Supply and Marketing Cooperative and its affiliated organizations and many chemical fertilizer factories have in this fall's planting season generally lowered the cost of chemical fertilizers being used in agriculture by about 10 percent. Because chemical fertilizer prices have been adjusted downward, grain-production costs have dropped. Farmers can see the material benefits, all are willing to make an effort to do a good job of cultivating the land, and chemical fertilizer sales have increased.

Many rural villages promote the use of industry to supplement agriculture, use industry to carry agriculture, carry out economic fine tuning, and effectively mobilize the enthusiasm of farmers to do a good job at grain production.

Energetically eliminating unreasonable farmer burdens protects farmer enthusiasm for doing a good job at grain production. The Henan Provincial Party Committee and Provincial Government have requested many times that party and government leadership departments of all levels start with themselves, and fully and conscientiously inspect the compounding of the problem of arbitrary levies, extractions, fines, and so forth. Whatever was unreasonable that can be returned certainly should be returned to the farmer and what cannot be returned is to be handled with prudence and tact. Many cities, prefectures, counties, and townships have all carried out the concrete decision to reduce farmer burdens. Lushan County is retrenching its village organizational structure. It has reduced the village organization cadre from an original 11,587 down to 5,473, and lowered farmer burdens by 1.87 million yuan.

HENAN OFFICIAL SAYS 300 MILLION SAPLINGS UNUSED

HK280439 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 25 Feb 86

[Excerpts] This morning, (Wang Tixin), deputy director of the provincial Forestry Department, told reporters by telephone that at present some 300 million saplings are still left idle in sapling nurseries. He urged the leadership and forestry departments at all levels to attach great importance to the matter. They should promptly take measures to thoroughly solve this problem.

It is learned that over the past 2 years, the province has rapidly developed the cultivation of saplings and supplied a large amount of quality saplings for afforestation. However, because more and more individuals engage in the trade of their own accord and there is a lack of coordination, the supply of some kinds of saplings has become excessive. After accomplishing the 1985 plan for afforestation and up until now, the province still has some 300 million saplings lying idle in nurseries. As the afforestation season has arrived, the task of handling these saplings is urgent.

Some local leaders said that nobody had forced them to cultivate so many saplings and that now they had got what they deserved. This is an irresponsible statement and a manifestation of bureaucratism. In fact, if we do not promptly plant the 300 million saplings, they will be wasted and become firewood. Assuming that each sapling costs 0.2 yuan, the province will suffer a total loss of 50 to 60 million yuan. The most important point is that if we use them as firewood, we shall burn up the peasants' initiative in growing trees or even cause some households specializing in cultivating saplings to become bankrupt.

In the telephone interview, Deputy Director (Wang Tixin) said: The province still has many barren hills and open spaces next to farmland awaiting afforestation. There is also some farmland suitable for growing wood. So long as the leadership at all levels attaches importance to the matter and strengthens its leadership, the excess saplings can be put to use, can be used to promote forestry production, and we can make new progress in the first spring of the Seventh 5-Year Plan period.

/12232

CSO: 4007/316

BRIEFS

HENAN PEASANTS PER CAPITA INCOME--A sample survey of 4,200 peasant households in the province's 42 counties shows that the per capita net income of the peasants in the province for 1985 was 328.6 yuan, an increase of 13.1 percent over 1984. The number of peasant households whose per capita income was less than 200 yuan decreased by 4.1 percent over 1984, and the number of peasant households whose per capita income exceeded 500 yuan increased by 3.5 percent over 1984. [Summary] [Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 5 Mar 86 HK] /12232

CS0: 4007/315

HUBEI

BRIEFS

HUBEI AGRICULTURAL, FISH PRODUCTION--Wuhan, 10 Mar (XINHUA)--Hubei's total grain output in 1985 reached 44.3 billion jin. Its total cotton output last year reached 9.84 million dan, while its total output of oil-bearing crops was an all-time high. Output of hemp and flax increased by 100 percent over the previous year. Total output of freshwater fish reached 740 million jin, 170 million jin up from the preceding year. [Summary] [Beijing XINHUA Domestic Service in Chinese 0747 GMT 10 Mar 86 OW] /9738

CSO: 4007/317

HUNAN BOOSTS FOOD INDUSTRY PRODUCTION

OWO30730 Beijing XINHUA in English 0651 GMT 3 Mar 86

[Text] Changsha, 3 March (XINHUA)--Hunan, one of China's leading agricultural provinces, is boosting the food industry to make full use of its local resources.

An official in charge of the provincial food industry said today the output of rice, pigs, aquatic products, tea and citrus ranks among the first in the country.

The 22,000 food-processing factories in Hunan yielded a total output value of 4 billion yuan last year, accounting for 17 percent of the province's total industrial output value.

A number of their products are sold to Japan, and Southeast Asian and Western European countries.

The provincial government plans to expand the food industry to generate 7 billion yuan of output value a year by 1990, up 70 percent over 1985.

To accomplish the goal, the province will select 12 counties as experimental units to lead the whole province in the development of this industry. Priority will be given to these counties in funds, techniques and equipment.

Aided by the state, peasants in Jiangyong County, south Hunan, have set up 15 factories to make candy, pastry, soft drinks and other beverages.

More than 500 households specializing in fruit processing in Xupu County processed 73 percent of the county's 15,000 tons of fresh fruit last year, enabling 100,000 fruit producers to earn an extra 200 yuan per head.

/12232

CSO: 4020/242

BRIEFS

HUNAN GRAIN PRODUCTION--Changhsa, 9 Mar (XINHUA)--Hunan's total grain output in 1985 reached 50.2 billion jin. Each year, Hunan can supply 10 billion jin of marketable grain to other places. This year, the state has reduced Hunan's grain purchase quotas. The Hunan Provincial Party Committee and the provincial government have decided to purchase 8 billion jin of unprocessed food grains by contract, 1.6 billion jin less than last year. In addition, Hunan plans to plant hybrid rice on more than 23 million mu, 3 million mu up from last year. Currently, the province's spring grain crops on 5 million mu and rape on 7 million mu are doing well. [Summary] [Beijing XINHUA Domestic Service in Chinese 0048 GMT 9 Mar 86 OW] /9738

CSO: 4007/319

VICE-GOVERNOR ON IMPROVED GRAIN PRODUCTION

Beijing NONGMIN RIBAO in Chinese 24 Dec 85 p 3

[Article by Ling Qihong [0407 0796 7703, vice-governor of Jiangsu Province: "The Appropriate Scale of Grain Production Operations"]

[Text] In the course of developing the rural economy, there are some places now that have "every family engaging in agriculture, and sideline industry; every household is small and self-sufficient." This has led to some peasants paying attention to maintaining production only to meet their own grain needs and not working hard on contracted fields that will supply commercial grain. The investment put into these fields has dropped correspondingly, management has been lax, and soil fertility has been reduced. If this continues, it not only will be harmful to the stability and improvement of agriculture and to the transformation of agricultural technology, it will also be harmful to the two transformations in agriculture. In order to hasten the continued growth and improvement of agriculture, questions should be raised concerning the appropriate scale of agricultural operations in some districts where the commercial economy is highly developed and the original agricultural base was relatively solid.

I. Appropriately Scaled Grain Production Operations Are an Effective Means for Improving Agricultural Production Benefits, Are Necessary for the Implementation of the Two Transformations, and Are Strongly Hoped for by the Masses

In some districts in southern Jiangsu, there has been experimental implementation of many different kinds of appropriate-scale agricultural operations. The general outlines of these forms are as follows: one kind involves cooperative farms, represented by Changshu's Qinnanxiang's Yuanhecun; one kind involves the unification of agriculture and industry in "agricultural shops," which have been established in small town enterprises in Wuxi, Changzhou, and other places; one kind involves the union of specialized production and socialized services in the form of specialized grain production households (also called family farms), etc., as represented in Wuxi's Dongpengxiang and Yuqixiang's Rongnancun. The results of these practical experiments show that no matter what the particular form is, all share the following positive points: 1. Management standards are raised; economic benefits are increased. For example, 70 units of labor power were dedicated

to the management of 529 mu of fields in Wuxi's Yuqixiang's Rongnancun. Per-mu grain yields were about 100 jin higher than those on self-supply grain fields tilled by agricultural households than were engaged in other pursuits.

2. Labor productivity and the rate of commercialization are increased. Two peasant households in Wuxi's Yanqiaoxiang contracted in 1984 for operating 56 mu of grain fields as family farms. That year they produced over 1,000 jin per mu to sell as commercial grain; the commodity rate was 89 percent.

3. The income produced from agricultural labor is effectively increased, solving the conflict in terms of differing economic returns between industrial labor and agricultural. In Changshu's Qinnanxiang, 4 female Communist Party members led a labor force of 18 (only 1.6 percent of total labor force) in establishing a cooperative farm. According to the contract, each person engaged in agricultural work was permitted to earn more than 1,000 yuan, exceeding the average per capita income of those engaged in industrial labor in the same locality. The increased income from agricultural labor has effectively changed the tendency to "abandon farming." What in the past were "millstone fields" have now begun to do well. This has spurred the peasants to put more into the fields, employing advanced agricultural science and technology and modern facilities.

It can be seen from the experiences of these places that there should be certain preparatory conditions for appropriately scaled agricultural operations. Aside from the need for the agricultural households to be highly self-conscious, surplus labor must be transferred effectively, agricultural mechanization must be coordinated, and socialized services must follow. The scale of operations should accord with the varying degrees of the above-mentioned factors. If these factors are not prepared first, then conditions will not be suitable for appropriately scaled agricultural operations.

II. An Important Element in the Development and Consolidation of Appropriately Scaled Grain Production Is the Strengthening and Perfecting of the Agricultural Services System

Experience shows that once household operations are the principal form in agriculture, it is very difficult to raise the technical standards in agriculture and the operational benefits of socialized services do not keep up. Developing appropriately scaled agricultural operations needs a strengthened and perfected agricultural socialized services system. If work in this area falls behind, it is impossible to speak of developing appropriately scaled agricultural operations. Even if the operations somehow are started, in the final analysis they cannot be consolidated.

Strengthening and perfecting the agricultural socialized services system encompasses not only agricultural machinery and technology, irrigation, crop protection, and seeds, it also should include agricultural supplies, circulation, and other aspects. That is to say, whatever difficulty the operational unit (including just one family) will encounter in the course of operations and needs help in overcoming should be addressed according to the union of centralization and decentralization. Sometimes centrally, sometimes decentrally, ways should be found to offer support and solutions so that the peasants need not worry about such matters.

Strengthening and perfecting the agricultural socialized services system also involves expanding the scope of services. Developing appropriately scaled agricultural operations is not only a matter of quantity, even more importantly it also is one of quality. "Quality" refers to desperately awaited new development projects. New, special, superior quality, or rare varieties that have their own unique characteristics should be worked on. There should be active research on and extension of appropriate technology that saves labor and capital and increases production. There should be further advances in improving rates of labor productivity and of commercialization and in improving yields, quality, and economic returns. By improving the quality of services, reducing the costs of services, and giving the peasants reasons to feel that engaging in specialized service activities is more beneficial economically than working on their own, then peasant interest in self-managed operations will be further spurred.

Looking at the present agricultural service system in rural Jiangsu, the key is to strengthen the township and village levels. These two levels are the base and directly supply face-to-face services to operators (including peasant households). The agricultural service system will be truly strengthened and solid only if the service system is well established at the township and village levels. On one hand, the broad masses must be given high quality services that peasants feel that they need and service personnel must be supported in providing specialized services. On the other hand, the remuneration of specialized service personnel must be improved. Their social status must be improved in order to spark their full energies and creativity in agricultural service work.

III. The Active Development and Extension of Appropriate Agricultural Machines is the Key to the Development of Appropriately Scaled Grain Production Operations, as Well as to the Gradual Transition Toward Specialization, Commercialization, and Modernization

With the development of the commercial economy, the expansion of appropriately scaled specialized production based on household operations becomes increasingly important to the requirements of agricultural mechanization and modernization. Especially in the economically most developed districts, where large numbers of the strongest laborers in the villages have shifted to non-agricultural pursuits and the laborers who remain engaged in agriculture are few and not as strong, there is a particularly pressing need to supply them with socialized services. These socialized services must rely primarily upon agricultural machines if labor requirements are to be reduced and labor productivity is to be raised.

Looking at the present situation in Jiangsu, in recent years there has been a large increase in total agricultural machinery horsepower, but the variety and specifications of the machines themselves remain very limited. Few tractors have accessory attachments. Seed drills and trench diggers are far inadequate to need. Up to the present there still are virtually no planters, harvesters, and processing machinery for special varieties of high quality rice and for special kinds of cash crops. This is not appropriate for rural development. This situation will affect the development of, and benefits

derived from, appropriately scaled operations. Production bureaus must shift their emphasis in agricultural engineering scientific research from motive power to all varieties of machine accessories and to the planters, harvesters, and other machines that agriculture desperately needs. At the same time, corresponding with this shift, relevant departments must provide the necessary material resources needed and assist the research with materials, motive power, and funds.

During the course of agricultural mechanization, collective or joint operations should be promoted actively so as to meet the service needs of the broad mass of agricultural households and to aid in the development of appropriately scaled agricultural operations. At the same time, the already existing specialized machinery teams and specialized households should be organized in such a way as to provide truly practical service.

IV. Industrial Support of Agriculture, Improvements in Agricultural Materials, Technology, and Equipment Are the Material Foundation for Developing Appropriately Scaled Grain Production Operations and Establishing a Strong Agricultural Base

Developing appropriately scaled agricultural operations and establishing a strong agricultural base require improved agricultural materials, technology, and equipment, and this requires substantial investment. Wuxi's Hongqixiang did some calculations. Merely mechanizing production of the primary crops of rice and wheat, the basic work on the fields, implementing the "three secrets" (for irrigation, drainage, and rainfall), and providing for accompanying work on canals, forests, and roads would require an investment exceeding 3,600,000 yuan per mu. This kind of enormous investment is beyond the capabilities of individual peasant households. It also is beyond the capabilities of savings within the agricultural sector. At a time when state funds are too limited to be able to provide large investments, the most effective means is realizing the internal potential in developing rural enterprises and having industry support agriculture.

Industry support of agriculture is not merely needed for developing agriculture, it also is needed for the development of the rural industries themselves. The rapid start and expansion of rural industries in the past has been inseparable from the rapid development of agriculture. Now rural industries must coordinate development with agriculture and sideline industries if they are to continue to develop and solidify their base. Appropriately scaled agricultural operations provide workers in rural industries with agricultural and sideline products at low prices and with high quality. Also, some "commerce-industry-agriculture" units can supply rural industries with some raw materials. When agriculture is modernized, it will be able to provide rural industries with even more labor power. So industry support of agriculture helps the coordinated development of a material foundation for the "three sectors." Support funds for agriculture should no longer be directed primarily into product and distribution subsidies. Consumer subsidies should be replaced by funding that expands reproduction. Subsidies should be given to agricultural equipment, to strengthening the agricultural services system, and to farmland capital construction. Small amounts of funds can also subsidize the prices of agricultural and sideline goods that are in great demand.

Implementation of the development of appropriately scaled agricultural operations should be active and reliable. "Active" refers to creating the necessary conditions, using set demonstration sites to obtain experience, and using models to provide guidance. "Reliable" refers to placing emphasis on and controlling the preparatory conditions. Implementation should be realistic and not overly hasty. In conclusion, where the necessary conditions exist in those areas where the overall agricultural economy is highly advanced or in those districts where the agricultural base is fairly good, these places should actively build models of wealthy socialist villages, with advanced industry and agriculture and thriving sideline industries.

12994/12948

CSO: 4007/240

STIMULATION OF PEASANT ENTHUSIASM FOR FARMING URGED

Nanjing XINHUA RIBAO in Chinese 26 Nov 85 p 1

[Commentary: "Raise Peasant Enthusiasm for the Management of Arable Land"]

[Text] The cooperative farm established in Yuanhe Village, Qinnan Township, Changshu City is a useful attempt to further perfect and develop the output-related rural responsibility system. It is a bold attempt to accelerate specialization, large-scale commodity production, and modernization of agricultural production. It is also an effective way to increase peasant enthusiasm for management of arable land.

Promotion of the output-related responsibility system has greatly stimulated peasant enthusiasm for land management. Agricultural production has undergone unexpected development. Recently, however, some farmers in areas where the commodity economy is relatively well developed have lost their feeling for the land, and their enthusiasm for land management has decreased. They consider their assigned land to be a burden. The fund and effort put into the land continuously decrease, and they either ignore it completely or fail to manage it after planting. Although this problem has just begun to appear in certain local areas, it must receive adequate attention.

Why has peasant enthusiasm for farming decreased in those areas where the commodity economy is relatively well-developed? The main explanation is the low profit derived from land management compared to industry and nonfarm management. A typical survey in Jiangsu Province showed that the return from an average agricultural working day is 2.61 yuan while that from sideline industry is 3.57 yuan and that from industry is 17.09 yuan. In areas where the commodity economy is well-developed, the proportion of total family income derived from farming has steadily decreased. When, therefore, the state cannot increase its subsidies for the agricultural price system, the most fundamental way to increase peasant enthusiasm for land management is to increase agricultural productivity and profits from land management. This will insure that the value created in agriculture, especially in grain cultivation, will not be lower than that in other sectors. The cooperative farm established in Yuanhe Village provides a relatively good example in this regard.

In order to increase agricultural productivity and profits from land management, we must attempt to stimulate the specialization, socialization, and modernization of agriculture and create a highly efficient and profitable agriculture. There are more people and less land in some areas where the economy is well-developed. Land assigned to farmers is too scattered, and management is small-scale; therefore it is hard to increase profits. While implementing the output-related responsibility system we must adequately expand the assigned land so that farming will gradually be concentrated in the hands of experts. Gradual implementation of agricultural specialization, commercialization, and modernization has become an urgent requirement for farmers in areas where the economy is well-developed. Beside the cooperative farm of Yuanhe Village, Rongnan Village in Yuhao Township, Wuxi County has also had relatively good experience in this area. Village land, mulberry orchards, and water resources were formerly assigned according to a family's labor force. Beginning with last summer's planting and after people's discussion, this village began to contract with a few farming experts. As a result, average grain production per specialized farming household exceeded 11,000 jin, an increase of almost sixfold. Average cost per mu was reduced about 9 yuan, the commodity rate increased from 26 to 63 percent, and the average yearly income has reached about 1,600 yuan. All areas have had many similar experiences. It is clear that improved land-management methods which are adapted to local productivity can rapidly improve production efficiency and increase economic results. Concentration of arable land in the hands of experts, creation of cooperative farms or development of specialized farming households, and appropriate management expansion have not changed the previously implemented output-related responsibility system. These actions have actually perfected and further developed this responsibility system. Establishment of cooperative farms and development of specialized farming households requires adequate leadership and resources, the willingness of the general public, and the proper local situation. Trial experiments are necessary to demonstrate their effectiveness. We must not act on the spur of the moment and without proper preparations. Furthermore, we must not proceed against the people's wishes, force them to act, or create an appearance without substance.

In order to establish highly efficient and profitable agriculture, we must help farmers change production technology. The value created by agriculture is less than that created by either industry or subsidiary industry. In addition to prices, another very important factor is the backward technology used in agricultural production. Production efficiency is very low, and much agricultural work still depends upon either manual or animal labor. Therefore, the establishment of highly efficient and profitable agriculture requires changes in production technology and utilization of agricultural machinery. Some specialized farming households have obtained obvious savings of both labor and money by using reduced tillage, direct sowing, chemical herbicides, biological disease-control methods, etc. Reform of agricultural technology and improvement of production efficiency require emphasis on popularization and application of advanced technology by all leadership levels. In particular, the current economic resources of the community must be fully utilized, and their contribution to agriculture must be increased. Minor adjustments of the community's internal economy must be made in those areas where township

enterprises are relatively well-developed, and the following policies, "use industry to mend agriculture" and "use industry to establish agriculture," must be implemented. This means that a portion of the profits from township enterprises should be used to purchase agricultural machinery or to improve irrigation systems. Helping farmers improve their working conditions, reducing hardships, and improving production efficiency all create the conditions required for expansion of management and improvement of economic results.

Establishment of highly efficient and profitable agriculture and improvement of peasant enthusiasm for farming require emphasis on social services and help for farmers to overcome difficulties. Examples of such difficulties include understanding market communication, selective breeding of high-quality varieties, supplies of highly efficient chemical fertilizers and herbicides, manufacture and purchase of multipurpose and highly efficient agricultural machinery, and the sale and conversion of grain and cotton-oil products. The quality of these services directly affects the economic results of farm management. When we talk about the principles of using agriculture as the foundation and strengthening leadership of agricultural production, these services must be good and actually help farmers to solve all types of problems facing them.

13015/9435

CSO: 4007/204

BRIEFS

COASTAL SHELTER BELT--In the past few years, 1.6 million youths in 3 cities and 12 counties in Jiangsu's coastal areas have positively responded to the provincial government's call to build a coastal shelter belt. So far, they have planted more than 31 million saplings to form a 4,800-kilometer-long belt along the coast. [Summary] [Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 26 Feb 86 OW] /12232

AFORESTATION WORK --Jiangsu Province scored notable results in afforestation during the Sixth 5-Year Plan by popularizing the responsibility system in forestry production. According to statistics, there are over 8,000 specialized households in the province who contract to plant trees on barren hills. In the past 5 years, a total of 1.6 million mu of land throughout the province was afforested or reforested, thus expanding the province's forest cover from 6 to 8 percent. [Summary] [Nanjing XINHUA RIBAO in Chinese 27 Feb 86 p 1 OW] /12232

AGRICULTURAL PRODUCTION MEANS--The supply and marketing departments of agricultural materials in the various localities in Jiangsu Province are actively making efforts to allocate agricultural materials for spring farming. By early March, the total output value of agricultural materials supplied in the province exceeded 100 million yuan, an increase of 12.2 percent over the same period of 1985. In the same period, the supply of chemical fertilizers and small farm implements grew by 3 and 20 percent respectively. [Summary] [Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 11 Mar 86 OW] /9738

FURTHER AFFORESTATION WORK--Gratifying results have been scored in greening Jiangsu Province since the issuance of an appeal by the provincial government to plant more trees. By 5 March, the province had afforested 220,000 mu of land, reafforested 1.4 million mu of forest, as well as planted trees along 1,300 kms of highways, and over 50 million trees near villages, along roads and streams, and around houses. [Summary] [Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 11 Mar 86 OW] /9738

CSO: 4007/317

JIANGXI PLANS FOR GRAIN, EDIBLE OIL PROCUREMENT

OW090354 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 7 Mar 86

[Excerpts] Recently the Provincial People's Government issued a circular urging that, prior to the start of spring farming, all localities make proper arrangements with peasant households and other production units for fulfilling this year's grain and edible oil procurement tasks. For this purpose, purchase contracts should be signed so that they may be used as guidance for making production plans toward the goal of achieving a bumper harvest this year.

The circular of the Provincial People's Government contains the following points:

1. The quantity covered by purchase contracts should be cut to an appropriate extent. In 1986 the province's grain purchase by contract should be 30 percent less than that in 1985.
2. Arrangements for fulfilling the edible oil procurement task should be made with peasant households and other production units simultaneously with the grain procurement task.
3. Peasant households and other production units that have signed contracts may buy low-priced chemical fertilizers and may be given agricultural loans on a priority basis.
4. The proportion of negotiated purchase in the total grain procurement plan should be increased. Negotiated purchase quotas should be assigned to counties and cities along with the contract purchase quotas.

/9738

CSO: 4007/317

BRIEFS

JIANGXI GRAIN PLAN OVERFULFILLMENT--Nanchang, 9 Mar (XINHUA)--By the end of February, Jiangxi had purchased 3.4 billion kg of grain, including 2.75 billion kg purchased according to contracts, and overfulfilled its grain purchase plan. Currently, the authorities are purchasing grain at negotiated prices. [Excerpts] [Beijing XINHUA Domestic Service in Chinese 0045 GMT 9 Mar 86 OW] /9738

JIANGXI GRAIN PURCHASE--By 5 March, Jiangxi had purchased and stored 3,526,000 metric tons of marketable grain, 7 percent over the target set for the 1985 grain year. [Summary] [Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 9 Mar 86 OW] /9738

CSO: 4007/317

JILIN HOLDS CONFERENCE ON FARMING PREPARATIONS

SK100840 Changchun Jilin Provincial Service in Mandarin 2200 GMT 8 Mar 86

[Text] On the afternoon of 8 March, the provincial agriculture department held a telephone conference on farming preparations to sum up the work done in the former period and to make new arrangements for the next period.

At the conference (Zhou Jichang), director of the provincial agriculture department, delivered a speech in which he stated: Farming preparations in the former period throughout the province achieved smooth progress and created a good situation, because various localities earnestly relayed and implemented Document No. 1 issued by the central authorities and the spirit of the rural work conference sponsored by the provincial CPC Committee and of the provincial agricultural work conference. It was also because they paid attention to grasping the readjustment of the rural production structure, holding rural training classes on agricultural technology, making preparations for material sources, and in particular to dealing with the two prominent problems of giving a helping hand to poor households and making success of cultivating waterlogged lowland. In dealing with the two problems, they have concentrated their efforts and scored better achievements. However, some current problems that need to be dealt with urgently are as follows: 1) The progress of sowing seeds is slow; 2) the progress of holding technical classes is slow; 3) the progress of implementing the agricultural measures among the households is slow; and 4) the attention paid to readjusting the crop structure and making arrangements for each crop is not sufficient.

In his speech he stressed: Only 1 month remains before the start of plowing farmland, in which the work of implementing among the households the eight policies set forth by the provincial CPC Committee and the provincial people's government with regard to encouraging peasants to engage in grain production, the fixed-quota contract system of purchasing farm and sideline products, the planting plans, and the measures for supplying means of production, repairing farm machines, and for increasing output brooks no delay. The agricultural departments at all levels must further enhance their understanding on the work, foster high standards, and must set forth strict demands in order to complete farming preparations by the end of March.

In his speech, he urged various localities to further do a good job in readjusting the cultivated acreage of various crops, paying attention to both economic returns and ecological results, and making good arrangements for the proportion of grain crops and each crop in line with local conditions. A good job should be done in realistically conducting the work of seed sowing and treatment, vigorously holding training classes on technology, and implementing measures for increasing output. Meanwhile, attention should be paid to making preparations for the production of special horticultural crops.

/9738

CSO: 4007/319

WATER CONSERVANCY MANAGEMENT IMPROVED

Changchun JILIN RIBAO in Chinese 6 Jan 86 p 1

[Article: "Emphasis in Jilin Water Conservancy Shifts to Management"]

[Text] The overfulfillment of all aspects of the Sixth 5-Year Plan objectives for Jilin's water conservancy construction has brought clear economic and social benefits.

During the Sixth 5-Year Plan, Jilin water conservancy construction conscientiously adhered to the water conservation policy of "strengthen operational management, pay attention to economic benefits." The scale of basic construction projects was reduced and investment was concentrated on projects that were already underway and on outfitting those projects that had already been completed. Utilizing the potential, Jilin completed 13 large- and medium-scale projects of excavating, strengthening, and outfitting water reservoirs at Hailong, Liangjiashan, Erdao, Chongfeng, Chaoyang, and elsewhere. Total water storage capacity has been increased 243 million cubic meters, serving in both flood protection and irrigation. In terms of operational management, emphasis has been placed on fully developing the multipurpose economic benefits of water conservancy projects. Among the 126 state-managed water conservancy management units in the province, 115 have already begun 386 multipurpose management projects, including planting and breeding, industrial and sideline processing, transport and tourism, and others. Total value produced has exceeded 24 million yuan, with 3 million yuan in net profits. One hundred twenty units have achieved self-sufficiency in meeting their own expenses, which greatly reduces the burden on the state and the peasants and increases the autonomy of the water conservancy management units. In the expansion of irrigated fields, there has been good progress made in an area that for many years had not witnessed any. According to statistics provided by the water conservancy bureau, the area of newly irrigated fields in Jilin increased by 976,000 mu during the Sixth 5-Year Plan. There has been an average annual increase of 195,000 mu. There has been development of aquatic production, gradually moving in the direction of many forms and channels, many kinds, and raising top quality varieties. This has greatly increased the quantity of aquatic products produced, and the tasks set out in the Sixth 5-Year Plan have been exceeded by 33.4 percent and a year ahead of schedule. It is expected that total aquatic production in Jilin last year will reach 25,000 tons, almost a

two-fold increase over that of 1980. Because of improved operational management and the implementation of systems involving total control over investment and objective-based contracts, small hydropower construction has grown quickly. During the Sixth 5-Year Plan period, there have been new breakthroughs in solutions to the problem of industrial and potable water shortages, especially in the sanitation problems in the villages and the water shortages for both people and livestock. One million one hundred fifty thousands peasants now have running water. During the Sixth 5-Year Plan, a total of 3.4 million mu of land in Jilin was brought under erosion control, contributing to the development of a good natural environment.

12994/12948

CSO: 4007/240

BRIEFS

LIAONING 1986 WHEAT SOWING--Liaoning Province plans to sow 539,710 mu of spring wheat this year, a more than 200-percent increase over the actual acreage sown to wheat last year. [Excerpt] [Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 1 Mar 86 SK] /9738

FORESTRY DEVELOPMENT PROJECT--On 4 March, the provincial People's Government held a mobilization meeting in Chaoyang City on breaking ground for the second project of the second phase construction. The construction project is an international cooperative program aided by the (?world grain planning group) and is aimed at controlling soil erosion by planting trees and grass in Jianping County, Beipiao City in our province. The task of the project is, beginning 1986, to plant more than 713,000 mu of trees within 7 years and more than 344,000 mu of grass. The project requires 24 million workdays of labor and is the first forestry construction item undertaken by our country with the assistance of the (?world grain planning group). [Text] [Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 4 Mar 86 SK] /12232

CSO: 4007/316

DEVELOPMENT OF SHEEP PRODUCTION ENCOURAGED

Yinchuan NINGXIA RIBAO in Chinese 8 Dec 85 p 2

[Article by Tian Zhongren [3944 0022 0086], vice chairman of the Animal Husbandry Bureau, Ningxia Autonomous Region: "A Major Effort Should Be Devoted to the Development of Sheep Production"]

[Text] Zhan [2770] sheep is a fast-growing traditional breed that has a long history among the working people in Ningxia. It is the main source of meat for ethnic minorities, and its development should be emphasized.

Since the 3d Plenum of the 11th CPC Central Committee, all rural economic policies have been implemented. The door is now wide open for accumulating wealth, and sheep production in Ningxia has undergone new development. Initial statistics showed that in 1984 there were 150,000 zhan sheep in the area and that meat production exceeded 6 million jin or 42 percent of total lamb production. The population of Wuzhong City is more than 50 percent Moslem and produces about 15,000 zhan sheep annually. Meat production is about 640,000 jin. Sixty percent of Moslem farmers use lambs less than 1 year old, rams 2 to 3 years old, and weak ewes to produce fat zhan sheep. Lingwu County uses the rich pasture resources in the Guan area to encourage farmers to breed zhan sheep. In this way, resources are converted to commodities. All sectors and industries have also given peasants the green light to breed zhan sheep. The county farmers cooperative has abandoned its old policy of not making loans in the fall and is now actively making loans to farmers who breed zhan sheep. In 1984 there were 91,278 zhan sheep in the county, and this created a new opportunity for animal husbandry development in the Guan area. From last September to this April, the county sold 4,000 zhan sheep and 140,000 jin of lamb. The net income after subtracting the purchase cost was 99,200 yuan; average net income per zhan sheep exceeded 24 yuan. In order to reduce the amount of pasture used by animals, Haiyuan County increased the proportion of zhan sheep and the rate of sheep production. All of the more than 700 specialized sheep-breeding households and 2,565 general sheep-breeding households in the county now breed zhan sheep. Yearly production of zhan sheep has exceeded 20,000 animals, double that of 1983. Evidence has shown that the breeding and turnover of zhan sheep are faster and that both meat production and profits are higher.

Ningxia is a Moslem autonomous region, but for a long time lamb supply could not meet the demand. Because people's living standards have increased, current supplies still do not satisfy the demand. Therefore, based on Ningxia's natural conditions, ethnic characteristics, and the needs of the local economy, production of zhan sheep should be emphasized. Where possible, certain areas may fully utilize agricultural byproducts, dry grass and leaves, manmade pasture, and hay in addition to natural pasture resources. If only half of all agricultural households bred 5 zhan sheep per household, there would be 1.4 million zhan sheep in the region. Assuming that the average weight of a zhan sheep is 40 jin, an increase of 15 jin per sheep results in a 21-million-jin increase in lamb production. Because this is 1.5 times the current lamb production, the potential is very great.

The advantages of breeding zhan sheep have attracted the attention of all levels of leadership as well as the general public. The following suggestions have been made to further stimulate the rapid development of zhan sheep production in Ningxia:

1. Strengthen the leadership. Leadership at all levels should emphasize development of zhan sheep production as an important measure in the further structural reform of rural industry and animal husbandry. In those areas that have relatively abundant supplies of grain, farmers should be motivated and organized to fully utilize grassland, manmade pasture, crop residues, leaves, chaff, and debris for production of zhan sheep. The experience of Lingwu County should be publicized. Townships and villages that have the required resources should be selected to establish a production base for zhan sheep. Further support should be provided to form a unified system for production and sale, thereby gradually establishing a complete commodity production system for zhan sheep.
2. Support from all sectors. All sectors should give the green light to farmers who breed zhan sheep. Agricultural banks should issue loans to support those zhan sheep-breeding households that are having financial problems. The department of animal husbandry must actively summarize and publicize advanced models for zhan sheep breeding. It should also publicize the science and technology involved in the breeding and management of zhan sheep, help farmers find a source of sheep, and provide disease-prevention services.
3. Take advantage of the natural situation and local resources. Mountainous areas that have both natural grazing land and abundant manmade pasture and are also suitable for grain production should emphasize development of ewe production. They should increase the reproduction rate, retain good animals and remove poor ones, and increase turnover. In the fall, most rams and the old, weak, sick, or poor-quality sheep should be removed and sold to areas that have abundant feed. In this way, pressure on pasture land can be reduced, death of weak animals during the winter and spring can be avoided, income from sheep breeding can be increased, and a supply of sheep can be provided for areas that are suitable for zhan sheep production.
4. Accelerate development of the feed industry. Feed-processing factories in all areas should increase both the variety and output of mixed feeds.

They must provide a large amount of high-quality mixed feed for farmers who breed zhan sheep, improve the feed-utilization rate, lower the cost of feed, and improve the economic results.

5. Strengthen science and research. There are currently many aspects of zhan sheep breeding that require further study. Examples include the utilization of nonproteinaceous nitrogen compounds such as urea, the use of plant stubble, and interbreeding with sheep raised for their meat. The nutritional requirements of different varieties, ages, and sexes of zhan sheep as well as the appropriate slaughter times also require further study by relevant colleges and research institutes. This will increase the efficiency of zhan sheep production and lower feed consumption.

Feed provided by natural pasture resources has a comparatively high potential at the present time. We must use this opportunity to rapidly develop zhan sheep production. A strong effort must be made to rapidly solve the problem of lamb consumption by ethnic Moslem and Han people and to raise the sheep breeding industry in Ningxia to a new level.

13015/9435

CSO: 4007/204

QINGHAI COMMENTARY ON GRAIN PRODUCTION, DIVERSIFIED ECONOMY

HK060522 Xining Qinghai Provincial Service in Mandarin 2330 GMT 2 Mar 86

[Station short commentary: "Persist in Coordinated Development of Grain Production and Diversification"]

[Text] Document No 1 of the CPC Central Committee for 1986 explicitly points out that we must never relax our efforts in developing grain production and must actively develop a diversified economy. This is the basic policy of the CPC Central Committee guiding this year's agricultural production. The practice of readjusting the province's rural production structure over the past 2 years has proved that the steady growth of grain output is a prerequisite to readjusting the internal structure of agriculture, and an important condition for vigorously developing all economies. In the course of implementing various rural policies formulated by the CPC Central Committee and continuing with the second step of reform in the rural areas, leaders at all levels in the province's rural areas must correctly handle the relationship between grain production and a diversified economy.

On the one hand, we should not merely develop a diversified economy to the neglect of grain production; on the other hand, we cannot lay undue stress on grain production and ignore a diversified economy. The economic foundation in the province's rural and pastoral areas is very poor. We are thus required, while grasping agricultural production and animal husbandry, to formulate various concrete methods and measures to support peasants and herdsmen in developing a diversified economy, so as to gradually implement the policy of developing industry to supplement agriculture, developing sideline production to breed agriculture, developing industry and sideline production to support farming, and developing economic crops to support grain crops. Only thus is it possible to form a comprehensive production structure with agriculture as the foundation and with combined and coordinated development of a diversified economy, and to promote steady, continuous, and coordinated economic development.

/12232

CSO: 4007/315

PEOPLE, LIVESTOCK SUFFER FROM QINGHAI SNOWSTORM

OWO41840 Beijing XINHUA in English 1830 GMT 4 Mar 86

[Text] Xining, 4 March (XINHUA)--More than 34,500 herdsmen have been rescued from an unusual snowstorm in southern Qinghai Province, vice-governor Gabulong said here today.

The 15,000 frostbite and snow blind patients are receiving medical care, he added.

The rescued victims have settled down in make-shift shelters and are provided with food and fuel.

Blizzards started last October, 20 days earlier than usual, trapping the herdsmen--most of them the Tibetan nationality--in mountain grazing grounds spanning an area of 250,000 sq km.

Some 68 medical teams, consisting of 255 doctors, have rushed to the area. "Two persons died in the snowstorm," the vice-governor said.

More than 5,100 soldiers took part in the rescue work. Five hundred tons of food and fuel were dropped from planes and 10,000 tons were rushed into the area by 2,870 trucks with 35 bulldozers clearing the way.

But, the vice-governor disclosed that the snowstorm and the ensuing severe winter took the toll of more than 1 million cattle and sheep, that died from cold and hunger, and 8.7 million hectares of pasturelands are ice-bound to this day.

The snow affected 73,000 people and 3.9 million livestock, he added.

More snow is forecasted and the rescue work continues.

/12232

CSO: 4020/242

QINGHAI

BRIEFS

QINGHAI WATER CONSERVANCY--During the Sixth 5-Year Plan period, the province vigorously developed water conservancy. In the 5 years, the province increased the area of land under effective irrigation by 191,000 mu; expanded and improved 4.75 million mu of grassland; put another 9,225 kilowatts of small hydropower equipment into operation; and solved the problem of potable water for some 698,000 people and 2.04 million domestic animals. [Summary] [Xining Qinghai Provincial Service in Mandarin 2330 GMT 2 Mar 86 HK] /12232

CSO: 4007/315

WATER CONSERVANCY CIRCULAR ISSUED

Xi'an SHAANXI RIBAO in Chinese 15 Nov 85 p 1

[Article by the Agricultural Section, Administrative Office, Shaanxi Provincial Government: "Properly Carry Out Capital Construction in Farmland Water Conservancy This Winter and Next Spring; Provincial Government Issues urgent Circular Calling on Every Locality"]

[Text] On 13 November, the provincial government issued an urgent circular calling on each locality to do a good job in farmland water conservancy capital construction this winter and next spring.

1. Fully recognize the major role of water conservancy in the continued and stable growth of agriculture, and raise the self-awareness of cadres and masses. We must clearly see that flood and drought are still the greatest threats to Shaanxi's agricultural production. Currently the level of farmland water-conservancy capital construction in Shaanxi is still very low, there has been very serious damage to water-conservancy installations, ability to resist disasters is very weak, and the system is unable to meet the needs of continued and stable growth in agriculture. Every level of government should, after learning both the positive and negative lessons from past experiences in water-conservancy work, repeatedly and thoroughly educate the cadres and masses about the thesis that "water conservancy is the lifeline of agriculture" and about the importance and urgency of persisting in carrying out capital construction in farmland water conservancy; clear away misunderstandings, improve awareness, mobilize and organize the broad masses, and organize the broad masses, and quickly start work on winter and spring farmland water-conservancy capital construction.

2. Responsibilities and areas of emphasis. Farmland water-conservancy capital construction for this winter and next spring should focus on restoring water-conservancy installations which have been destroyed. There should be a specific agenda for the determined effort to restore all destroyed channels and most wells, pumps, pipes, station facilities, and hydraulic structures; in addition, engineering projects should be coordinated, so that more than 90 percent of water-conservancy projects will be intact, ensuring winter and spring irrigation. Those places without water-conservancy facilities should, based on local realities and the most appropriate local production, determine the priorities in farmland water-conservancy capital construction. In the

hills and ravines of southern and northern Shaanxi and the Weibei plateau, we should repair and expand the area in the "four fields:" stone-bank terrace fields, level terrace fields, earth-bank fields, etc., and increase the ability to resist disasters and ensure harvests; at the same time, we should strive to expand the area planted in trees and grass, thoroughly promote household contracting for the management of small drainage areas and accelerate the pace of dealing with erosion.

3. Continue to investigate and deal with cases involving destruction of water-conservancy facilities. In their assignment and deployment of forces, political and legal departments should continue to include this problems as one of their major targets in fighting in criminal activity. Areas with a low rate of solving cases should stress investigation and solving of cases, deal with them seriously, and persist in putting an end to this wave of damage to water-conservancy facilities.

4. Vigorously implement and perfect the water-conservancy management responsibility system. In places where it still has not been implemented, hard work should be the basis of making sure that it is organized and implemented this winter and spring. At the same time, we should everywhere establish and perfect township and town water-conservancy service systems, thoroughly strengthening the social service work of water-conservancy management. Water-conservancy management departments, in collaboration with local governments, should stress the formulation of plans reforming the grassroots-management system of large and medium irrigation areas and actively set up test sites, enabling the earliest possible implementation of a grassroots-management responsibility system for every large and medium irrigation area.

5. Earnestly strengthen leadership. The people's government at every level should regard farmland water-conservancy capital construction as an important priority in rural work this winter and next spring, carrying out conscientious deployment, meticulous organization, and strengthened leadership. They should seriously strengthen management of construction, establish and perfect systems for quality control and post-construction, inspection, strive to improve construction quality, guarantee that repair work in one place is completed and brings local benefit, never engaged in just doing things for the sake of form and not make a fancy show of things. Work teams from irrigation and water-conservancy departments, led by leading comrades, should go straight to the frontline to inspect and provide guidance. Departments concerned with finance and materials should give active support, promptly help solve real problems, and guarantee the smooth implementation of farmland water-conservancy capital construction.

12919/13104
CSO: 4007/177

STEADY DEVELOPMENT OF GRAIN PRODUCTION STRATEGIC TASK

Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 30, 31 Dec 85

[Article by Wang Jiangong [3769 1696 0501], deputy secretary of the Shanxi CPC Committee: "Ensuring Steady Increases in Grain Production Is a Long-term Strategic Task"]

[30 Dec 85 p 2]

[Text] We recently studied 13 counties (regions) in southern and southeastern Shanxi Province in an effort to discover how to emphasize grain production. Quantitative and comparative analyses were used to estimate current and future grain production with special emphasis on ensuring a steady increase in grain production.

Continue Completion and Implementation of All Economic Policies and Further Stimulate and Protect Farmers' Enthusiasm for Farming as a Route to Wealth

Overall, farmers' enthusiasm for farming has been quite high during the past few years. There has been a tendency, however, toward decreased enthusiasm among quite a few farmers in certain areas. A major reason for this decrease is that farmers no longer farm merely to solve their hunger problem. Grain production is viewed as a route to wealth, and grain farmers make two major comparisons. A horizontal comparison with industry and sideline industry reveals an income disparity that is too great. Their income is also less than that from cash crops. A vertical comparison shows that the cost of grain production has generally increased because of inflation in the price of agricultural production materials, water, electricity, and mechanized farming. Farmers' profits from increased grain sales have been offset.

In view of this situation, we believe that the following measures should be adopted:

1. Perfect and implement the contracted grain-procurement system so that the state's planning and directives for grain production will be closely integrated with the farmers' economic interests. Provincial, regional, and county grain sectors should release their procurement plans as early as possible so that lower levels will have sufficient time to transmit them to the farming households before planting. This will allow farmers time to

arrange their planting schedules. The process of signing contracts with the farmers should be a process that helps them understand and make an overall plan. We should not use old administrative methods again. The contents of the contract should both protect the state's interest and consider the legal interests and reasonable demands of farmers.

2. Adamantly prohibit unjustified inflation in the prices of agricultural production materials and lower the cost of water, electricity, and mechanized farming as much as possible in order to stimulate farmers' enthusiasm. The pricing department should closely supervise wholesale prices of agricultural production materials and the purchase and sales prices of management units. Prices for agricultural production materials can be stabilized by lowering the costs of production departments, avoiding expenses, and reducing the number of links in the supply sector and other sales units. We must ensure that production materials within the plan are available at the standard prices and forbid substitution of higher priced materials. The water, electricity, and mechanized farming sectors must reform their management methods, increase their efficiency, and lower the cost of irrigation water, electricity, and mechanized farming as much as possible by becoming more self-sufficient.

3. Perfect the method of "use industry to support agriculture," decrease the burden on grain farmers, and reduce the income disparity between agricultural and industrial occupations. Grain production has great social significance. When grain prices are stable, it is necessary and logical to implement to "use industry to support agriculture," "use sideline industries to support agriculture," or "use forestry and fruit production to support agriculture." It is also necessary and logical to appropriately adjust income differences between agricultural and industrial occupations within local cooperative economic organizations.

The State, Communities, and Individuals Must Unite in Efforts To Improve Basic Conditions for Agricultural Production

During the past several years, construction of irrigation systems has not received sufficient emphasis in some areas, and not much progress has been made. There are four reasons for this situation: 1) The contracting responsibility system is incomplete. The management system for irrigation construction was not properly implemented, and contracting responsibility is unclear. As far as land contracts are concerned, no one evaluated and classified the land, and there was also no clear system of rewards and punishments for land that has either gone up or down a grade. 2) The rural cooperative economic organization is incomplete in many areas, and no one is concerned with the maintenance, repair, or construction of irrigation systems. Funds for such activities are also lacking. 3) Cadres at the county, township, and village levels lack experience in organizing the basic construction of irrigation systems under the new responsibility system which links payment to output by combined households. 4) Investment by the state has decreased too much.

We think that grain production has a particularly important position in the state and people's economy. It is limited by weather conditions, ecological

factors, and biological characteristics. We must, therefore, motivate the farmers and adopt an approach that unifies the efforts of the state, the community, and individuals. Construction irrigation systems must be emphasized, and the basic conditions for agricultural production must be improved. Budgets at all levels should appropriately increase investment in agriculture used for either construction of large and middle-sized irrigation systems or subsidizing construction of small systems. All local cooperative economic organizations should use a certain amount of funds obtained from township enterprise income or other reserves for construction of small and middle-sized irrigation systems. Based upon the principle that those who invest in construction will administer it and receive the profits, we can stimulate farming households to establish irrigation systems themselves. In this way, specialized households or cooperative organizations devoted to small irrigation systems will develop.

We must strengthen land management at the same time that we stress basic construction of agricultural land. We must prohibit random and unauthorized use of agricultural land, strengthen management of contracted land, and establish a record system for land resources. Land will be evaluated every few years to determine whether its grade has increased or decreased, and appropriate awards or penalties will be applied in order to encourage farmers to invest in the land. We must perfect the contract responsibility system for irrigation and improve the irrigation management system.

[31 Dec 85 p 2]

[Text] Adapt to the New Commercialization of Grain Production and Improve Science and Technology, Agricultural Mechanization, Circulation and Information Services

The study and application of new technology (especially the adoption of improved varieties) by a majority of farmers is an effective route to minimize investment, to obtain high yields, and to ensure increased grain production. Currently, the main problems are: 1) Job compatibility, total compensation, and working conditions have caused specialized technological personnel and farming technicians to leave the area, change jobs, or transfer to town enterprises. 2) The service network promoting agricultural technology is incomplete in some areas, and the network has not demonstrated its function. 3) The pace of technological progress is slow. During the past year or two, some of the new technologies being promoted have actually suffered setbacks; for example, there has been widespread mixing of different seeds and loss of germination, an increased tendency for damaging outbreaks of disease and insect infestations, a decrease in the use of ground covers, and uneven promotion of soaking seeds in solutions of trace elements and spray technology. In order to ensure a steady increase in grain production and to establish a foundation for agricultural modernization, all areas should strongly emphasize agricultural science and technology and adopt specific measures to solve the above problems. Research units in agricultural science and technology should refocus their professional direction during the structural reform of science and technology. They should focus upon production at the lower levels and create a new emphasis on the close coordination of science, technology, and production.

In most areas, the amount of agricultural machinery (excluding threshers) has increased quite rapidly over the past few years. This new machinery, however, is primarily used in rural industry/sideline industry or transportation, and the amount which directly services grain production has either remained constant or even decreased. From now on we must act in two areas: first supply more and better services involving agricultural machinery; and, second, actively create the conditions necessary for mechanized farming. Where possible, we could gradually establish agricultural machinery service brigades and implement enterprise-type management. During peak periods they could provide mechanized services for grain specialized households and other agricultural households, while during off-peak periods they could provide services for other sectors. We should maintain the machinery as well as we can and lower the cost of its use as much as possible. We can also develop households to service agricultural machinery from grain specialized households and family-run farms. After they complete their own tasks, they provide mechanized services for neighboring households on contract. We should constantly develop grain specialized households based upon local conditions in order to adequately concentrate land and readjust the land assigned to contract households. Village residents' committees or village cooperative economic organizations should negotiate with farming households to centralize areas devoted to major crops in order to facilitate mechanized farming.

From the perspective of either grain production or the economic development of all rural commodities, circulation and information services are weak points. Every area has suggested that supply sectors should accelerate their reforms, actually begin to provide services for rural commodity production, and demonstrate their primary function. Rural localized and specialized cooperative economic organizations should be strengthened, and horizontal communication and better services should be developed. Within a certain period of time, every level of the grain sector should increase their efforts to effectively carry out procurement contracts and to continuously solve the problem of "difficulties in grain sales." In this way they will obtain experience and formulate a system. Financial sectors should adapt to these developments and increase the circulation of funds. As far as loans are concerned, financial sectors should accurately determine the funds necessary for grain production and those needed for the development of other industries. Their loan policy should be rational, and they should clearly distinguish between major and minor or urgent and deferrable projects. The following groups should further study how to provide information services for farmers--the provincial CCP agricultural research unit, the provincial agricultural development center and agriculture-animal husbandry group, and the agriculture-industry departments and the agriculture-animal husbandry bureaus of every area, city, and county. They should gradually form a complete information network so that they can provide timely and accurate information about market conditions and the progress of the planting plan for farmers.

The Improvement and Appropriate Development of Commodity Grain Specialized Households Will Further the Commercialization of Grain Production and Raise the Level of Science and Technology

Compared to the total number of farming households and the total land under cultivation, the proportion of grain specialized households and their

farming areas in Shanxi is not high at the present time. However, they play a major role in grain production. The decrease of grain specialized households in some areas is only temporary. Development of grain specialized households will require the following: 1) The size of specialized households should be determined by local conditions, and we must not combine smaller units merely to increase the number and size of large households. 2) We must realize that grain specialized households produce more grain but have less storage capacity. Therefore, we must establish reasonable procurement contracts and protect their implementation. "Difficulties in grain sales" among grain specialized households will result in grain spoilage and sales at less than the standard price. "Cheap grain will hurt farmers," and their economic losses are far greater than those of ordinary farming households. We must pay special attention to this problem. 3) We must emphasize service work for grain specialized households. For example, we must provide technical guidance, supply certain circulating funds and reliable commodity information, and ensure an adequate supply of materials and services involving agricultural machinery. 4) We must improve the training and information for grain specialized households, thereby increasing their technical and management levels. In this way, they will become model households in science and technology and can continue to improve their economic results and centralized management. 5) We must promote and assist grain specialized households to either take the route of "planting, cultivating, and processing" or to also become an agricultural machinery specialized household in order to obtain better economic results. Several grain specialized households could be combined, or one specialized household could serve as a nucleus connecting many other farming households. Based upon this type of family land management, they can form a mutually managed, combined organization for cultivation, processing, and agricultural machinery. These actions should be promoted because they benefit the specialized households and also lead to mutual prosperity.

Taking into Account the Entire Economic Situation, We Must Accurately Manage the Relationships Between Grain Crops and Cash Crops, Forestry-Animal Husbandry, and Township Enterprises

Appropriate development of cash crops and strengthened development of forestry and animal husbandry are important for the full utilization of our resources. They are also significant factors in increasing farmers' income, satisfying market demand, accumulating funds for agriculture, and strengthening the agricultural sector. From the standpoint of grain production, two problems arising from the development of cash crops and forestry-animal husbandry require our attention: 1) Planting cash crops, conversion of farm land to forest uses, and alternation of forest and grain crops must be done in a way that ensures a steady increase in grain production. The amount of land used for grain production has been sufficiently reduced and must now be stabilized. As grain production develops in the future, it can be readjusted. Conversion of farm land to forests should be systematic. In some areas the increase in unit grain production is very slow, and total production cannot meet the basic demand for grain. The speed of land conversion should be slower in these areas. We must ensure that there is sufficient land to produce the grain required to satisfy basic demand. 3) From the standpoint of grain

conversion, increasing income, and satisfying market demand, we must adopt efficient measures to accelerate the development of animal husbandry.

Whether the development of township enterprises accelerates or hinders grain production depends upon correct management of the relationship between the two. In addition to the overall improvement and implementation of "using industry to assist agriculture," we should now intensify classified guidance so that township enterprises will be better developed and able to serve agriculture. In areas where mining and smelting are relatively well-developed we must promptly analyze and adequately control their rates of development. Our emphasis should be changed to the development of deep mining. We can transfer a certain amount of funds to assist the development of the food, feed, fruit, animal-products, and timber-processing industries. In most major grain-producing areas, we should emphasize grain conversion and strongly develop the industries for processing foods, feed, and animal products. In those areas where village-run industries are weak or lacking, we should make every effort to develop major village-run industries. Where township industries are relatively well-developed, we must train lower levels cadres to manage both grain production and industries/sideline industries. We must ensure a steady increase in grain production and also stimulate overall development of the rural economy.

13015/9435
CSO: 4007/202

GROWTH IN FEED INDUSTRY CONTINUES APACE

Beijing ZHONGGUO XIANGZHENQIYE BAO in Chinese 7 Dec 85 p 1

[Article by Zhang Ziaojian [1728 2556 1696]: "Township and Town Feed Industry in Tianjin Municipality Beginning To Form a System; Vigorous Support from Leadership Departments, Concerted Cooperation from Relevant Departments; Production This Year Could Be 60 Million Jin of Compound Feed, 10 Million Jin of Additives, Attaining Output Value of 14 Million Yuan; Foundation Laid for Growth in Animal Husbandry and Improvement of Urban and Rural Residents' Diet"]

[Text] After more than 2 years of growth, the township and town feed industry in Tianjin Municipality is beginning to form a feed industry production system characterized by a complete selection of varieties, various serialized lines of high-quality products, and administrative flexibility. At present Tianjin has 36 townships and town compound feed mills, additive plants, and fish-powder plants. This year they may product 60 million jin of compound feed and 10 million jin of additives, attaining an output value of 14 million yuan. These enterprises are propelling growth in rural animal husbandry and making possible improvement of the diet of urban and rural residents; they have become an important force in the development of the rural commodity economy.

The township and town feed industry in Tianjin Municipality started developing in 1983 with 1 million yuan in subsidies from the Tianjin municipal government, which was used to build 20 small township and town feed mills. At the outset, due to poor product quality and lack of outlets, for a time the plants were run at a loss. In 1984, after Central Committee Document No 4 was issued, municipal grain departments supplied every township and town feed mill with 500,000 jin of transferred grain; financial departments provided some of the key feed mills with low-interest loads for use as circulating funds; the municipal agricultural science academy, the feed research institute, and the animal husbandry research institute sent scientists and technicians to help raise the technical level, provide advanced feed formulas, and establish a quality-control system, permitting fairly large increases in the level of management and product quality in feed mills. Starting in 1984 there were gradually breakthroughs in production.

At present, township and town feed mills not only produce chicken feed, they also produce feed for pigs, ducks, and quail as well as bait for fish and shrimp; not only do they produce compound feed, they also produce enriched feed and various additives. Some feed mills are also developing feeds for laboratory animals and for pigeons and dogs raised for their meat. Township and town feed mills are also producing a series of products suited to different periods of growth in farm animals. For example, chickens are classified as meat chickens, laying chickens, and breeding chickens, each with different feed formulas. Meat chickens are further divided into six stages of growth, mixing feed according to different formulas needed at different periods of growth, forming several lines of products which have been strongly welcomed by the great masses of rural animal husbandry specialty households.

Assisted by scientists and technicians, the Dazhangtun township feed mill in Jinghai County has produced a line of compound feed for chicks to laying hens, hog feed, and enriched feed for large and small chickens; because the product quality is good, the feeds have been welcomed by the great masses of specialized households; specialized households within 100 li come in droves, drawn by its reputation. Every month it sells about 1 million jin. This year they plan to realize a profit of 200,000 yuan. The profit realized in 1 year is equivalent to three times the total investment in building the mill.

The Niezhuangzi feed mill in Wuqing County grew from being the producer of a single product line into a service enterprise incorporating incubation, brooding, processing feed, preventing epidemics, and purchasing animal products, thus propelling the growth of animal husbandry. Since last year, this mill has imported more than 50,000 high-quality breeding chickens and this year it has brooded more than 200,000 chicks to be supplied to specialized households. The mill has instituted centralized measures for supplying chicks, raising funds and loans, supplying fertilizer, preventing epidemics, and collecting eggs, thus stimulating the enthusiasm of animal husbandry specialty households. Just in the mill's location, a village of over 2,000 people, there are 80,000 chickens being raised, an average of 38 chickens per person; every person can increase his annual net income by more than 300 yuan. Growth in animal husbandry also promotes growth in the feed industry. From 1984 until September of this year, this mill has created projects worth more than 1 million yuan and earned a profit of more than 100,000 yuan.

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CSO: 4007/177

XINJIANG PRODUCES MORE GRAIN, EDIBLE OIL

OWO61752 Beijing XINHUA in English 1447 GMT 6 Mar 86

[Text] Urumqi, 6 March (XINHUA)--The Xinjiang Uygur Autonomous Region, which used to purchase grain from other parts of China, is selling at least 300,000 tons of wheat and a large quantity of edible oil to other provinces this year.

An official of the regional Grain Bureau attributed this to the rural economic reform featuring contract production responsibility linking output with reward, which has stimulated peasants' enthusiasm.

The official said the region's harvests of grain, cotton, edible-oil and fruit are sufficient to feed the region's population, with some left over for sale elsewhere.

Although areas for growing grain were cut by 460,000 hectares last year, compared to 1978, the total grain output increased by 1.2 million tons.

Last year, the total output of oil-bearing crops rose by almost 3 times the 1978 figure, cotton by 3.6 times, and watermelons by about by about 2 times.

The amount of grain purchased by the state last year amounted to 1.45 million tons, up from 750,000 tons in 1978.

The official pointed out that the shortage of grain storage facilities has become a major problem in the grain-producing areas of Xinjiang.

While building more storage facilities, the region is transferring about 150,000 tons of grain to Qinghai Province, which was hit by severe blizzards last winter.

Meanwhile, a number of other provinces have sent agents to purchase grain and edible oil from Xinjiang.

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XIZANG CIRCULAR ON SPRING FARMING, LAMBING

HK060455 Lhasa Xizang Regional Service in Mandarin 1130 GMT 2 Mar 86

[Excerpts] The Regional Agriculture and Animal Husbandry Department recently issued a circular, demanding that all prefectural commissioner's offices and prefectural and city agriculture and animal husbandry bureaus regard spring farming and lambing as the central task of the current rural work and to grasp it firmly.

The circular points out: When the busy spring farming season approaches, many places throughout our region have insufficiently appraised the difficulties and arduous tasks of this year's spring farming work. As the mobility of the labor forces in rural and pastoral areas is great, preparations for spring farming have been very greatly affected. The feelings of unrealistical optimism and the phenomenon of relaxing leadership over spring farming have existed. In view of this, the leaders of all prefectures and cities must promptly take effective measures, do well in agricultural and livestock production in spring, and lay a good foundation for striving for a bumper harvest of agriculture and animal husbandry.

The circular points out: The departments of agricultural machinery, materials, commerce, and transport in all prefectures and cities must make full use of the period before spring farming to vigorously organize forces to do well in supporting, transporting, and allocating to lower levels means of production, including chemical fertilizers; agricultural chemicals; machinery and tools for agriculture and animal husbandry; all drugs for prevention of animal diseases; and vaccines which are urgently needed by the masses so as to guarantee the smooth progress of agricultural and livestock production in spring.

In conclusion, the circular hopes that in accordance with the spirit of the Regional CPC Committee Standing Committee enlarged meeting, party and government organs and leading cadres at all levels, will seriously improve their work style; go deep into the grassroots and realities; go to the production front to exercise face-to-face leadership; strengthen investigation and study; and promptly discover the new situation and solve new problems. They must use their main energy and time to serve agricultural and livestock production and help the masses carry out scientific farming and livestock-breeding.

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(202: 400731)

YUNNAN CIRCULAR ON RELIEF, RESCUE WORK IN COLD SPELL

HK090852 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 8 Mar 86

[Text] The Yunnan Provincial People's Government yesterday issued an urgent circular calling on all localities to do a good job in relief work. The circular said: Since 1 March, a cold wave in our province has caused widespread lowering of temperature and brought snow which turned to frost. Statistics show that 16 prefectures and cities and 105 counties and cities recorded light to heavy snow, while an even greater number of counties suffered damage from frost, notably in the major grain producing areas of Kunming, Qujing, Yuxi, Chuxiong, Baoshan, and Dali where there were long periods of continuing drop in temperatures. Crops such as broad beans, wheat, vegetables, rape, rice seedlings, flue-cured tobacco seedlings, fruits, flowers and plants were either frosted or frozen. In some places, livestock even froze to death. Equipment, installations and water pipes in some also suffered various degree of damage. The losses caused by the disaster were very serious, and gravely jeopardized industrial and agricultural production as well as people's daily life.

After the disaster occurred, leaders at all levels paid close attention to the matter and went to disaster areas to help with anti-disaster and relief work. The provincial party committee and provincial people's government leaders also promptly inspected conditions in the affected regions and held an emergency meeting of the provincial anti-disaster leading group to study and map out relief measures.

The circular pointed out: In the face of severe natural calamities, leaders at all levels, should unify their thinking. They should not only see the gravity of the disaster, but must also acknowledge the positive factors such as the party's effective policies and the people's enthusiasm, and adroitly guide action according to these circumstances. They should organize cadres to go to affected regions and encourage the people to display the spirit of self-reliance and hard work to overcome the difficulties and do a good job in relief work.

Provincial, prefectural and county level work teams in the countryside should go down into the grassroots and regard relief work as an important task today. According to the weather forecast, another cold wave is expected in late March and early April, while low temperature may possibly

recur in August. Thus, it is absolutely necessary not to lower one's guard and be careless. It is imperative to foster the thinking of fighting disasters and striving for bumper harvests in order to promote agricultural production.

The circular asked all localities to try every possible means to make use of local factors and adopt all effective measures to rely on one's resources. With regard to broad beans, wheat, vegetables, and other crops which were frozen to death, consultations must be carried out with experienced peasants and scientists and specific steps taken in each case. Some crops may be harvested, and the soil turned over to increase the soil temperature in preparation for spring planting. Quick-ripening crops and vegetables may also be cultivated to meet partial food requirements and market demands. As for crops which suffered minor damage, complementary measures must be taken to step up final-stage tending and to apply adequate manure and water in order to minimize the loss and, if possible, to keep more seeds for autumn planting. In preparing for the principal spring planting, aside from implementing well the original production plans, it is also necessary to draw up new measures in response to new conditions, and strive to reap more grain from the principal spring crops in order to make up for earlier spring losses.

The circular also urged all localities to open up new channels, in connection with the current drive for getting rich through a 100 yuan increase, to vigorously promote township enterprises and promote livestock raising and field cultivation. In particular, it is necessary to implement well the production schemes and measures on the cultivation of industrial crops such as flue-cured tobacco, and seek to increase the people's income, seeing to it that, while production may drop, income will not go down.

Moreover, it is necessary to pay proper attention to the daily life of the people. Grains sold back by the state and relief money should be promptly distributed to households in difficulty. It is particularly important that more attention be paid to the daily life of people in disaster areas. Units in charge of agriculture, finance, supply, commerce, communications, and farming materials in all localities should go down into the disaster areas to investigate and study and find out the needs of the people there. They should provide strong support in furnishing items needed in relief work, such as seedlings, chemical fertilizers, insecticides, gasoline and diesel oil, plastic sheeting, capital, technology, transportation and so on, and work in close coordination to ensure satisfactory implementation of relief work.

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ZHEJIANG

BRIEFS

ZHEJIANG'S RURAL SAVINGS--Hangzhou, 19 February (XINHUA)--Zhejiang's rural savings deposits increased drastically in 1985. By the end of 1985, the balance of savings deposits in Zhejiang's rural areas was 3.865 billion yuan, an increase of 42 percent over 1984. In 1985, peasants' average per capita income rose to 521 yuan, topping the average figure in 1984 by 75 yuan. [Summary] [Beijing XINHUA Domestic Service in Chinese 0237 GMT 19 Feb 86 OW] /12232

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